

STATE QUARTERLY ECONOMIC DEVELOPMENTS



U.S. DEPARTMENT OF COMMERCE
Economic Development Administration
Office of Minority Business Enterprise
Bureau of Economic Analysis

APRIL 1979

Prepared by:

The Regional Economic Analysis Division,
Bureau of Economic Analysis

For:

Office of Minority Business Enterprise
Economic Development Administration
Office of Regional Development
Title V Regional Commissions
Coastal Plains
Four Corners
Old West
Ozarks
Pacific Northwest
Southwest Border

Interagency Agreement Numbers 7031, 7046, and 7075

ACKNOWLEDGMENTS

This publication is the result of a two-year developmental effort within the U.S. Department of Commerce. At the inception of the project, the late **Andreas Vledina** of the Office of Minority Business Enterprise (OMBE) and **David Carlwright** of the Bureau of Economic Analysis (BEA) broadly outlined the contents and provided the structure on which this publication is based.

OMBE sponsored BEA's preparation of quarterly reports on economic developments in OMBE's multi-State regions and districts. **Sherman Fink**, Assistant Director for Planning and Evaluation, with **Richard Stevens** and **Peter Adams**, provided guidance in the preparation of these reports as well as in the development of this publication.

The Economic Development Administration sponsored the expansion of the multi-State region reports to State reports and the subsequent development of this publication. **Jeanne McFarland**, Chief of the Economic Research Division, and **Alan Olson** provided guidance in the development of this publication.

Under the direction of **Lawrence Houtson, Jr.**, Special Assistant to the Secretary for Regional Development, and **Robert Rauner**, Deputy, Office of Regional Development (ORD), the ORD and six of the Title V Regional Commissions—Coastal Plains, Four Corners, Old West, Ozarks, Pacific Northwest, and Southwest Border—provided support for this publication.

The BEA effort was conducted by the Regional Economic Analysis Division, under the direction of **Ray Grimes**, Chief. **Richard Gustaf** had primary responsibility for the coordination of the project and provided overall project management. **Howard Friedenberg** directed the preparation, editing, and production of the final manuscripts. The authors of the State discussions and their areas of responsibility were: **Robert Bretzfelder**, the National-Regional Overview and the New England and Great Lakes States; **James Younger**, the Southeast, Plains, and Rocky Mountain States; and **Robert Wendling**, the Southwest, Midwest, and Far West States. **Bruce Lavine** directed the collection of data and the preparation of tables and charts. **Ronald Calza** developed and implemented computerized systems for table production and data preparation, and **Patricia Schmitt** assisted in table production and coordinated the production of charts. **Reba Young** produced the camera-copy manuscript. **Kelly Dawson** and **Ruby Walker** provided additional secretarial services. **Arietta Mason**, **Shirley Watson**, **Loretta Brooks**, and **Shirley Bell** provided statistical assistance. **Sybella O'Schwend**, **Patti Trujillo**, **Billy Jo Hurley**, and **Donald Perschalk**, of the Current Business Analysis Division, provided editorial and graphics services.

DANIEL GARNICK
Associate Director for Regional Economics
Bureau of Economic Analysis

CONTENTS

	Page
National-Regional Overview:	
Nation	3
Regions and States	4
States:	
Alabama	7
Alaska	15
Arizona	23
Arkansas	31
California	39
Colorado	47
Connecticut	55
Delaware	63
District of Columbia	71
Florida	79
Georgia	87
Hawaii	95
Idaho	103
Illinois	111
Indiana	119
Iowa	127
Kansas	135
Kentucky	143
Louisiana	151
Maine	159
Maryland	167
Massachusetts	175
Michigan	183
Minnesota	191
Mississippi	199
Missouri	207
Montana	215
Nebraska	223
Nevada	231
New Hampshire	239
New Jersey	247
New Mexico	255
New York	263
North Carolina	271
North Dakota	279
Ohio	287
Oklahoma	295
Oregon	303
Pennsylvania	311
Rhode Island	319
South Carolina	327
South Dakota	335
Tennessee	343
Texas	351
Utah	359
Vermont	367
Virginia	375
Washington	383
West Virginia	391
Wisconsin	399
Wyoming	407

INTRODUCTION

Reports on current economic developments in each State and the District of Columbia are published 4 times a year—in January, April, July, and October. The reports are the result of an interagency effort within the Department of Commerce to assemble and interpret, in a consistent manner for all States, current economic data from a variety of public and private sources. Each report contains analyses and data for a number of key economic indicators (see below) for the quarter ending four months prior to the publication date; this quarter is the most recent one for which data are available and is hereafter termed the "current" quarter. Each report highlights percent changes in the key economic indicators between the current quarter and the corresponding quarter one year earlier (hereafter termed the "year-ago" quarter); the use of this timespan eliminates the distorting effects of data fluctuations that recur seasonally. In addition, each report compares percent changes for each State with the corresponding changes for the Nation in order to assess the extent to which each State participates in national economic developments. The use of economic indicators for which the estimation methods are the same for all States facilitates State-to-State comparisons.

Each report sheds light on various aspects of each State's economy, such as the size of consumer and industrial markets, changes in the price level, the number of persons working or looking for work, and the future level of building activity. This information is particularly valuable to persons in government, business, the media, and the academic community who follow economic developments in particular States.

Key Economic Indicators

Each report focuses on all of the following key economic indicators:

1. **Personal income** consists of private and government wage and salary disbursements, other labor income (such as employers' contributions to private social insurance programs), farm and nonfarm proprietors' income, dividends, interest, rents, and transfer payments (such as unemployment insurance benefits), less personal contributions for social insurance. It is measured before the deduction of personal taxes. It is the only key economic indicator adjusted for seasonality; it is not adjusted for price changes. Personal income measures the size of consumer markets and, when presented by industry of origin, can be interpreted as a measure of the size of industrial markets.
2. The **labor force** consists of all civilians classified as employed or unemployed. **Employed persons** are (a) those who did any work for pay or profit or worked 15 hours or more per week as unpaid workers in a family enterprise, and (b) those who were not working but who had jobs or businesses from which they were temporarily absent for noneconomic reasons. **Unemployed persons** are those who

had no jobs, but made specific efforts to find jobs and were available for work.

3. **Commercial bank loans** consist of commercial and industrial loans to individuals, real estate loans, loans to farmers (except real estate), and other loans (such as loans to other banks). They include holdings of government securities. Commercial bank deposits consist of demand deposits—which are noninterest-bearing, subject to withdrawal on demand—and time and savings deposits which are interest-bearing and for which some advance notice is required before withdrawal. It should be noted that loans deposits reported by banks in a State may reflect the economic activities of nonresidents as well as residents.
4. **Construction contracts** represent estimated costs of struct contracted for and started, or due to start within 60 days. The total consists of the following types of structures: residential houses (including additions and alterations), residential nonhousehold (such as hotels), nonresidential (such as stores and factories), nonbuilding (such as streets and highways). The total includes subcontracting costs, such as those for roofing. **Dwelling units** started, or due to start, are those with built-in facilities for cool and, where required by climate, for heating. Among the economic indicators, construction starts data are useful because they indicate future economic activity.
5. **Retail sales** are total receipts from customers of establishments primarily engaged in selling goods for personal or household consumption and in rendering services incidental to the sale of goods. Sales data, which indicate the level of consumer demand, are available for 19 States.
6. The **consumer price index** is a statistical measure of changes in price for a fixed "market basket" of goods and services bought by a particular population group. In this report, the group consists of urban wage earners and clerical workers. In future reports, it will consist of all urban consumers. The index is available for about a dozen metropolitan areas in the Nation. The index is useful in measuring price changes over time; it cannot be used for making cost-of-living comparisons among areas because of differences among areas in the "market baskets."
7. **Business incorporations** consist of new business that incorporate under State laws, businesses that transfer from noncorporate to corporate status, corporations that transfer from one State to another and corporations that become certified to operate in an additional State. **Business failures** consist of concerns involved in liquidation proceedings or voluntary actions that are likely to end in losses to creditors. Because of differences among States in incorporation and debt assignment laws, care must be taken in making State-to-State comparisons for either indicator.

For a more thorough discussion of the above indicators and their components, contact: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Analysis Division, Washington, D.C. 20230.

Organization of Each Report

Each report has two main parts.

The National-Regional Overview—has two sections:

1. **Nation.** This section contains a brief discussion of national economic developments, mainly for the timespan subsequent to the "current" quarter. The discussion focuses on gross national product, personal income, prices, employment and unemployment, and construction.
2. **Regions and States.** This section—which shows the economic development in any one region or State in the perspective of developments in other regions or States—contains a discussion and a data map of the Nation, divided into regions and States, for several of the key economic indicators. In general, the discussions and maps focus on percent changes in the indicators between the year-ago and the current quarter.

The States—has 51 sections, one for each State and the District of Columbia. Each State section has two main subsections:

1. **Highlights.** This subsection contains a brief discussion and a summary table. The discussion summarizes percent changes in the key

economic indicators for the State between the year-ago quarter and the current quarter, and compares these percent changes with the corresponding changes for the Nation. The table shows the underlying data.

2. **Analysis.** This subsection contains a discussion, a bar chart, a table, and line charts for each of the following indicators and their components: (a) personal income, (b) consumer prices, if available (no line charts), (c) labor force, (d) commercial banking, and (e) construction. This subsection also contains a discussion and a table for retail sales, if available, and a table for business incorporations and failures. In general, the discussions and bar charts analyze percent changes in the above indicators and their components for the State between the year-ago quarter and the current quarter, and compare these percent changes with the corresponding changes for the Nation. In general, the tables show State and national data for the current quarter and the year-ago quarter, and State data for the quarter preceding the current quarter and the corresponding year-ago quarter. The tables also show State and national percent changes between the year-ago quarter and the current quarter, and between the quarter preceding the year-ago quarter and the quarter preceding the current quarter. The line charts show the movements over time of quarterly State and national data.

NATIONAL-REGIONAL OVERVIEW

Nation

In 1978:IV, gross national product (GNP) adjusted for price changes, that is, real output, increased 5.9 percent, according to revised estimates of April 19, 1979. This increase compared with an increase of 2.6 percent in 1978:III. (These estimates are at seasonally adjusted annual rates.) The higher rate of growth in 1978:IV was largely attributable to final sales, which increased 7.2 percent, compared with 3.7 percent in 1978:III. All major components of final sales except government purchases increased more in 1978:IV than in 1978:III. Inventory investment again held down the increase in GNP, but less than in the third quarter.

In 1978:IV, changes in real GNP, final sales, and change in business inventories were dominated by changes in motor vehicles output. Motor vehicle production accounted for almost the entire 1978:IV acceleration in GNP. GNP excluding motor vehicle production increased about 4.5 to 5.0 percent in both 1978:III and 1978:IV.

In 1979:I, personal income increased about 2.5 percent, compared with an increase of 3.3 percent in 1978:IV and 2.9 percent in 1978:III (seasonally adjusted, not at annual rates). Roughly two-thirds of the deceleration from 1978:IV to 1979:I was traceable to proprietors' income, and most of the remainder was due to personal contributions for social insurance. The deceleration in proprietors' income was mainly in farm income, which showed little change in 1979:I, in contrast with a large increase in 1978:IV. A major factor in the swing was Federal payments to farmers, which declined in 1979:I after increasing substantially in 1978:IV. The deceleration in wages and salaries was small. In private service-type industries, there would have been a deceleration had it not been for the increase in the minimum wage from \$2.65 to \$2.90 per hour and the expansion of coverage under the Fair Labor Standards Act. The changes became effective in January and added \$2 billion to total payrolls. In government, the deceleration reflected last October's Federal pay raise, which had added to the 1978:IV increase. To arrive at personal income, personal contributions to social insurance are deducted from wage and salary disbursements, proprietors' income, and other components of personal income. These contributions increased about 9.3 percent in 1979:I, compared with 2.3 percent in 1978:IV. The step-up was due to an increase in the social security tax rate from 6.05 to 6.13 percent and an increase in the taxable wage base from \$17,700 to \$22,900.

If the effects of the Federal payments to farmers, the increase in minimum wage, the Federal pay raise, and the tax rate and base relating to personal contributions for social insurance are excluded, personal income so adjusted would have increased about 0.3 percent point less rapidly in 1979:I than in 1978:IV, instead of increasing 0.8 percentage point less rapidly.

Civilian employment increased 1.0 million from 1978:IV to 1979:I, compared with 0.9 million in 1978:IV. The increase in the labor force was 1.0 million—was one-fourth larger than in 1978:IV. With the increase in the labor force equaling the increase in civilian employment, the number of unemployed was unchanged from 1978:IV to 1979:I, at 5.9 million. The unemployment rate in February and March 1979 was 5.7 percent, compared with 5.8 percent in both January 1979 and 1978:IV. The quarterly rate was the lowest since 1974:III. The percentage of the population that was employed increased from 59.0 percent in 1978:IV to a record 59.4 percent in 1979:I.

In both January and February 1979, the Consumer Price Index increased more than 10 percent (at a seasonally adjusted annual rate). These increases were larger than most of the monthly increases in 1979. The price acceleration was sharp in food, especially meat and fruit, vegetables, and in energy, especially gasoline and electricity. These price increases have begun to reflect the increases in crude oil prices. OPEC's price actions last December, the shortages caused by the war in the production of Iranian oil, and most recently, price controls and regulations that allow refiners to redistribute toward gasoline the increased refining costs they pass on.

Residential housing activity declined in 1979:I. It would appear that severe weather as well as financial factors contributed—the latter probably more than the latter. Housing starts declined sharply in January and February, from about 2 million starts a month (at a seasonally adjusted annual rate) during most of 1978 to 1.7 million in January and 1.4 million in February. The regional distribution of housing starts indicates that they were correlated with the incidence of severe weather, but that other factors were at work as well. In 1979, housing starts rebounded to 1.8 million, mainly due to the weather. The number of building permits authorized for new housing units weakened in January and February; they averaged 1.3 million units (at a seasonally adjusted annual rate), after between 1.6 and 1.7 million units per month during the second half of 1978. In March 1979, the number of permits increased to 1.6 million.

Regions and States 1977:IV to 1978:IV

Personal Income

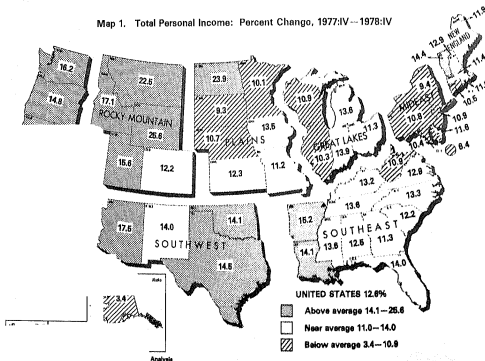
State personal income increased 12.6 percent. Real income increased about 3.7 percent, as the Consumer Price Index increased 8.9 percent. The increase in current-dollar personal income exceeded the national increase in consumer prices by at least 0.4 percentage point in all States except Alaska and the District of Columbia, where personal income increased 3.4 and 8.4 percent, respectively.

Nearly all of the 15 States with above-average increases in total personal income were in the West and South, including all States in the Far West region, all States in the Rocky Mountain region except Colorado, and all States in the Southwest region except New Mexico (map 1). Since the last national business cycle peak in 1973:IV, most western and southern States have registered relatively large increases in total personal income. From 1977:IV to 1978:IV, increases in farm income contributed strongly to the above-average increases in total personal income in North Dakota, Montana, Idaho, and Arkansas. Mining wage and salary disbursements (payrolls) were particularly strong in North Dakota, Montana, Wyoming, and Texas. Construction payrolls were strong in each of the above-average States except Utah and Arkansas,

and manufacturing payrolls were strong in most of the States, in particular, in California, Washington, and Vermont. Reflecting strength in the commodity-producing industries, payrolls in private service-type industries increased at above-average rates in all of the above-average States except North Dakota.

Seven of the 13 States (and the District of Columbia) with below-average increases in total personal income were in the Northeast-Great Lakes manufacturing belt, including all States in the Midwest region except Delaware. Declines in farm income contributed to the below-average increases in total personal income in Wisconsin, Minnesota, and South Dakota. Manufacturing payrolls were weak in most of the below-average States, in particular, in New Jersey, Illinois, New York, and Connecticut. Construction payrolls declined in West Virginia and Alaska and increased at rates below the national average in all of the remaining below-average States except New Jersey, Wisconsin, Minnesota, and Hawaii. Private service-type industry payrolls were weak in most of the below-average States.

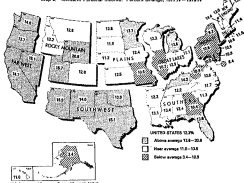
Map 1. Total Personal Income: Percent Change, 1977:IV—1978:IV



Nonfarm Income

Nationally, nonfarm increased 12.3 percent. The 15 States with above-average increases in nonfarm income from 1977:IV to 1978:IV were mainly in the West and South, including all of the States in the Far West and Southwest regions (map 2). The rapid growth in the 15 States is a continuation of a trend: Since the last national business cycle peak in 1973:IV, all of the States except Michigan had above-average increases in nonfarm income. Eight of the 11 States (and the District of Columbia) with below-average increases in nonfarm income from 1977:IV to 1978:IV were in the Northeast-Great Lakes manufacturing belt including all of the States in the Midwest region. The slow growth in the 11 States is also a continuation of a trend: Since the last national cyclical peak in 1973:IV, all of the States except Alaska and West Virginia had below-average increases in nonfarm income.

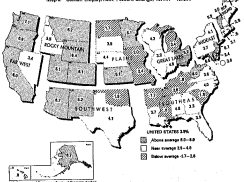
Map 2. Nonfarm Personal Income: Percent Change, 1977:IV-1978:IV



Civilian Employment

Nationally, civilian employment increased 3.9 percent. Increases were registered in all States except Arkansas and Mississippi (map 3). Nine of the 17 States with above-average increases were in the Far West, Rocky Mountain, and Southwest regions. The eight remaining States were geographically widespread. Nearly all of the 13 States with below-average increases were in the Southeast, Plains, and Northeast-Great Lakes manufacturing belt.

Map 3. Civilian Employment: Percent Change, 1977:IV-1978:IV

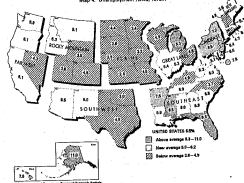


Unemployment Rates

Nationally, the unemployment rate in 1978:IV was 5.5 percent. Four of the 10 States (and the District of Columbia) with above-average rates were in the Midwest, where rates have been relatively high in the seventies (map 4). Other States with high rates in 1978:IV were Alaska, Hawaii, Arkansas, Mississippi, Florida, and Michigan. The 20 States with below-average rates were concentrated in the Plains and Rocky Mountain regions, where unemployment rates have been relatively low in the seventies, and in New England, where rates had been relatively high until recently.

From 1977:IV to 1978:IV, the national unemployment rate declined 0.7 percentage point. Ten States—including five in New England—registered declines of at least 1.4 percentage points—double the national decline. In 4 of the 10 States—Washington, Arizona, New Jersey, and Vermont—the decline mainly reflected strength in employment growth; and in the remaining six—Rhode Island, Maine, Nevada, Massachusetts, New Hampshire, and North Carolina—the decline mainly reflected weakness in labor force growth. From 1977:IV to 1978:IV, six States registered unemployment rate increases of 0.5 percentage point or more. Alaska and Arkansas had the largest increases—1.7 and 1.3 percentage points, respectively. In three of the six States—Arkansas, Hawaii, and Tennessee—the increase mainly reflected weakness in employment growth; and in the remaining three—Alaska, Wisconsin, and Virginia—the increase mainly reflected strength in labor force growth.

Map 4. Unemployment Rates, 1978:IV

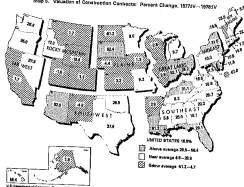


Valuation of Construction Contracts

Nationally, the total valuation of construction contracts increased 16.8 percent. Most of the 10 States with above-average increases were in the Midwest, Southeast, and Great Lakes regions; the others were Hawaii, South Dakota, and Arizona (map 5). The average increase for the 10 States was 41.9 percent. In many of these States, the valuation of most major types of construction contracts increased faster than nationally. Strength was especially noteworthy in nonbuilding, where all but two of the States had increases that were well above those registered in the Nation. In South Dakota, Maryland, Indiana, and Arizona, the valuation of nonbuilding contracts increased by more than 125 percent. The increase in the valuation of nonresidential contracts was strong in seven of the above-average States. In the residential market, 6 of the 10 States had above-average increases in the valuation of addition and alteration contracts, and six had above-average increases in the valuation of residential housekeeping contracts.

Most of the 15 States (and the District of Columbia) with below-average increases in the total valuation of contracts were in the West, mainly in the Rocky Mountain and Plains regions and in adjacent States; the others were Alaska, California, Vermont, and the District of Columbia. On average, the total valuation of contracts for this group of States declined 8.2 percent. In many of these States, the valuation of most major types of construction contracts increased more slowly than nationally. Weakness was especially noteworthy in nonbuilding contracts, where all of these States except Montana had declines. In North Dakota, the District of Columbia, Wyoming, and Vermont, the decline in the valuation of nonbuilding contracts exceeded 50 percent. The valuation of nonresidential contracts declined in eight of the States and increased more slowly than nationally in five. The valuation of residential housekeeping contracts declined in three of the States and increased more slowly than nationally in six.

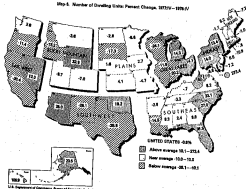
Map 5. Valuation of Construction Contracts: Percent Change, 1977:IV-1978:IV



Number of Dwelling Units Started

Nationally, the number of dwelling units started declined 0.6 percent, remaining at a high level in 1978:IV. Many of the 14 States (and the District of Columbia) with above-average increases were in the Midwest, Southeast, and Great Lakes regions; the others were Alaska, Hawaii, Arizona, Nevada, Wyoming, and Oklahoma (map 6). Each of the above-average States except Michigan had an increase in the valuation of residential housekeeping contracts that was well above the national average increase. The 11 States with large declines in the number of dwelling units started were geographically widespread. In each of these States, the valuation of residential housekeeping contracts either declined or increased at a rate that was below the national average rate of gain.

Map 6. Number of Dwelling Units: Percent Change, 1977:IV-1978:IV





Highlights

1977:IV to 1978:IV

Personal Income

- Up 12.5% vs. 12.6% in U.S., to \$24.4 billion
- Payrolls up 16.7% in durables manufacturing vs. 15.2% in U.S.
- Payrolls up 15.2% in services vs. 12.7% in U.S.

Employment

- Up 4.8% vs. 3.9% in U.S., to 1.5 million

Unemployment

- Down 9,000, to 96,000
- Rate down to 6.0% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts up 25.0% vs. 16.8% in U.S., to \$714.3 million
- Valuation of nonbuilding contracts up 99.5% vs. 22.2% in U.S.
- Number of dwelling-unit starts up 2.4% vs. near stability in U.S., to 9,168

TABLE 1.—Summary of Economic Indicators, United States and Alabama Through Fourth Quarter, 1978

	United States			Alabama			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III		
	All indicators, except income, not seasonally adjusted						Percent change		
Total personal income (millions of dollars).....	1,583,598	1,782,519	21,891	21,897	23,877	24,418	12.4	13.4	12.4
Total wages and salaries (millions of dollars).....	1,013,216	1,140,896	13,579	13,934	15,433	15,721	12.1	13.7	12.4
Civilian employment (thousands).....	92,442	96,810	1,443	1,432	1,562	1,501	4.1	4.1	3.5
Unemployment (thousands).....	8,349	5,185	117	105	95	96	-3.8	-19.0	-8.8
Percent unemployed (unemployment/labor force).....	8.2	5.5	7.5	8.8	5.9	6.0	---	---	---
Total loans (millions of dollars).....	619,502	n.a.	7,152	7,847	8,950	n.a.	16.3	17.3	---
Total deposits (millions of dollars).....	925,511	n.a.	10,889	11,701	12,709	n.a.	11.5	12.1	---
Total valuation of construction contracts (thousands of dollars).....	38,913,111	45,455,772	649,484	571,553	791,308	714,293	14.5	21.8	16.6
Dwelling units started (number).....	446,772	443,875	8,995	8,951	10,327	9,168	1.8	14.8	-6.8
Total retail sales (millions of dollars).....	197,030	218,020	n.a.	n.a.	n.a.	n.a.	10.3	---	11.2
New business incorporations (number).....	109,411	n.a.	1,214	1,951	1,222	n.a.	8.2	.7	---
Business failures (number).....	7,884	n.a.	42	20	25	n.a.	-3.5	-48.5	---
Consumer Price Index (1967=100):									
U.S. city average.....	109.3	201.8	---	---	---	---	7.9	---	6.9

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

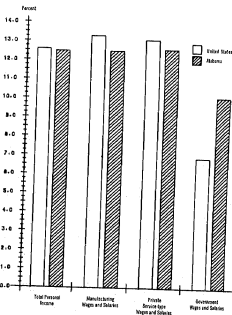
Personal Income

Total personal income (seasonally adjusted at annual rates) increased 12.5 percent from 1977:IV to 1978:IV, a fraction less than nationally (table 2). In 1978:IV, Alabama's personal income totaled \$24.4 billion, up \$2.7 billion since 1977:IV.

Nonfarm personal income increased 12.4 percent from year to year, only a fraction more than nationally. In contrast, since the most recent national business cycle peak in 1973:IV, Alabama's economy has grown much more rapidly than the Nation's; the increase in the State's nonfarm income was 12 percent more than nationally, ranking Alabama 23rd among all States.

Wage and salary disbursements (payrolls) in the State increased 12.8 percent from 1977:IV to 1978:IV, compared with 12.6 percent nationally. In 1978:IV, they totaled \$15.7 billion, up \$1.8 billion since 1977:IV.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)



Government payrolls increased 10.1 percent from year to year, 3.2 percentage points more than nationally. The increase in State and local government payrolls in Alabama was especially large—13.9 percent; the State's increase was second to Mississippi's 15.3-percent increase and was twice the national gain. In contrast, Federal Government payrolls increased only 5.4 percent in the State versus 7.1 percent nationally.

Manufacturing payrolls increased 12.5 percent in the State, compared with a 13.3-percent national increase. Payrolls in nondurables manufacturing increased only 7.8 percent versus 10.0 percent nationally, and those in durables manufacturing increased 16.7 percent, 1.5 percentage points more than nationally.

Within Alabama's private service-type industry group, payrolls in transportation-communication-public utilities increased 15.8 percent versus 11.3 percent nationally, and services payrolls increased 15.2 percent versus 12.7 percent nationally. The State's payroll increase in the transportation component was the eighth largest in the Nation. In contrast, payrolls in finance-insurance-real estate increased 10.0 percent in the State versus 14.1 percent nationally, and trade payrolls increased 9.2 percent versus 13.2 percent; both State payroll increases ranked among the smallest increases in the Nation.

Payrolls in construction increased 17.6 percent in Alabama, 2.5 percentage points less than nationally. Mining payrolls increased 48.5 percent from year to year versus 33.9 percent nationally. Alabama's increase was the sixth largest in the Nation.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 34.8 percent, 4.5 percentage points more than nationally.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

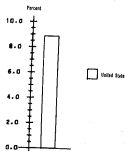


Chart 3.—Total Personal Income
(Seasonally adjusted)

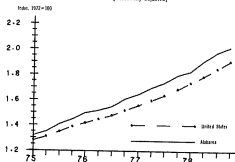


Chart 4.—Industrial Composition of Wages and Salaries: Alabama
(Seasonally adjusted)

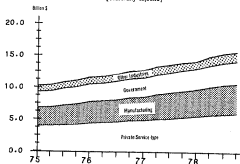


TABLE 2.—Personal Income, United States and Alabama Through Fourth Quarter, 1978

	United States			Alabama			U.S.		State		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV		
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²				
Total personal income	1,583,508	1,782,519	21,029	21,897	23,877	24,418	12.4	13.8	12.6	12.5	
Farm personal income	31,224	36,451	338	457	498	551	47.9	56.0	26.3	20.2	
Nonfarm personal income	1,552,284	1,746,068	20,783	21,230	23,380	23,867	11.9	12.9	12.3	12.4	
Total personal income	1,583,508	1,782,519	21,029	21,897	23,877	24,418	12.4	13.8	12.6	12.5	
Wage and salary disbursements	1,013,216	1,141,696	13,579	13,934	15,433	15,721	15.1	13.7	12.6	12.8	
Other labor income	86,016	111,716	1,318	1,372	1,542	1,688	17.0	20.0	16.4	17.3	
Proprietors' income	109,953	125,958	1,307	1,535	1,586	1,751	21.5	22.4	18.9	17.1	
Farm	22,636	31,044	254	422	428	491	85.6	68.4	31.3	22.1	
Nonfarm	87,317	94,910	1,123	1,333	1,257	1,267	12.8	12.2	15.3	13.8	
Dividends, interest, and rent	214,980	242,447	2,666	2,111	2,230	2,251	13.3	10.3	12.8	11.4	
Transfer payments	215,544	223,150	3,353	3,421	3,672	3,722	8.8	9.6	8.7	8.8	
State unemployment assistance benefits	11,124	7,793	141	146	111	55	-24.0	-21.2	-26.3	-24.8	
Less: personal contributions	62,212	71,610	937	959	1,609	1,100	14.8	15.7	15.1	14.7	
Plus: residence adjustment	-481	-473	278	284	307	317	—	—	—	—	
Wage and salary disbursements	1,813,216	1,141,696	13,579	13,934	15,433	15,721	12.1	13.7	12.6	12.8	
Farm	7,876	7,938	62	63	66	69	8.5	9.3	10.6	8.0	
Nonfarm	1,806,040	1,133,757	13,517	13,870	15,367	15,653	12.1	13.7	12.6	12.9	
Mining	16,648	16,813	228	216	212	321	36.5	30.9	33.9	48.3	
Manufacturing	55,648	68,858	594	676	1,026	1,030	19.1	12.8	26.1	17.6	
Durable goods	276,132	312,670	4,811	4,100	4,599	4,633	12.3	14.6	13.3	12.9	
Non-durable goods	176,216	203,852	2,871	2,188	2,518	2,553	13.7	21.6	15.2	16.7	
Private service-type	39,899	109,917	1,940	1,213	2,481	2,653	9.4	7.3	10.0	7.8	
Transportation, communication, and public utilities	455,754	615,348	5,275	5,423	5,955	6,104	13.2	14.8	13.1	12.6	
Wholesale and retail trade	76,594	85,254	344	590	1,116	1,147	38.4	18.1	11.3	15.8	
Finance, insurance, and real estate	54,452	61,653	416	410	652	669	34.1	11.4	12.2	5.2	
Services	153,840	173,336	1,575	1,631	1,828	1,878	12.6	16.1	15.7	15.2	
Government	281,252	215,883	3,131	3,217	3,437	3,541	7.4	10.8	6.9	10.1	
Federal	84,179	73,033	1,379	1,466	1,481	1,526	7.3	7.4	7.3	5.4	
State and local	197,073	142,850	1,752	1,751	1,956	2,015	7.5	13.6	6.8	13.9	
Other	3,216	3,685	36	35	45	45	18.7	17.2	14.6	16.0	

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Section.

TABLE 3.—Consumer Price Index, United States and Alabama Through Fourth Quarter, 1978¹

	United States			Alabama			U.S.		State		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV		
	Index, 1967=100, not seasonally adjusted ²						Percent change				
U.S. city average ²	185.3	201.8	—	—	—	—	7.9	—	8.1	—	—

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and rounded data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Alabama's civilian labor force increased 3.9 percent versus 3.1 percent nationally (table 4). Total employment increased 4.8 percent versus 3.9 percent nationally, to 1.5 million.

With employment increasing by 69,000 and the labor force increasing by 60,000, the number of unemployed declined by 9,000, to 96,000. Alabama's unemployment rate declined 0.8 percentage point, to 6.0 percent of the labor force. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Among Alabama's major metropolitan areas, preliminary unemployment rates for December 1978, when the State's rate was 6.3 percent, ranged from 6.7 percent in Mobile to 5.5 percent in Montgomery. In Birmingham, the State's largest metropolitan area, the preliminary unemployment rate was 5.6 percent. From December 1977 to December 1978, the unemployment rate declined 1.0 percentage point in Tuscaloosa, to 5.9 percent, compared with a decline of only 0.3 percentage point statewide; Tuscaloosa's decline was the largest among the State's major metropolitan areas.

Chart 5.—Labor Force, Employment, and Unemployed, 1978:IV: Alabama

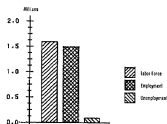


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

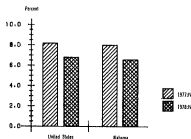


TABLE 4.—Labor Force, United States and Alabama Through Fourth Quarter, 1978

	United States			Alabama			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV		
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,210	87,768	1,276	1,276	1,384	1,304	4.3	2.0	4.2	2.3
Mining	780	888	15	12	16	16	8.2	11.0	14.2	37.3
Construction	4,932	4,488	81	76	82	78	16.4	1.1	13.3	3.4
Manufacturing	19,986	20,722	358	357	388	357	3.1	.9	3.7	2
Transportation, communication, and public utilities	4,761	4,891	66	67	70	70	3.8	5.4	4.4	4.5
Wholesale and retail trade	30,152	30,015	281	264	285	270	3.3	1.7	4.5	2.1
Finance, insurance, and real estate	4,852	4,795	57	57	58	58	4.8	1.8	-2.8	2.3
Services	15,528	16,235	179	180	182	183	4.6	1.7	4.4	1.6
Government	15,434	15,686	262	265	273	272	2.1	4.0	1.4	2.8
Civilian labor force ³	89,591	101,615	1,560	1,537	1,597	1,597	3.2	2.3	3.1	3.5
Total employed	87,442	95,680	1,443	1,432	1,532	1,501	4.1	4.1	3.9	4.8
Total unemployed	6,149	5,935	117	105	65	66	-6.8	-19.0	-8.8	-8.8
Percent unemployed	6.2	5.5	7.5	6.8	5.9	6.0	—	—	—	—

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1976, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

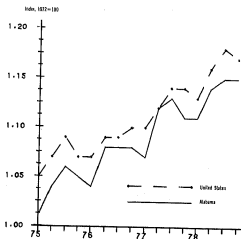


Chart 8.—Civilian Employment

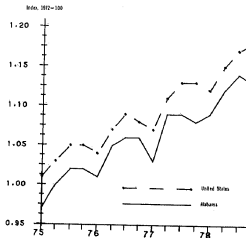


Chart 9.—Unemployment Rate

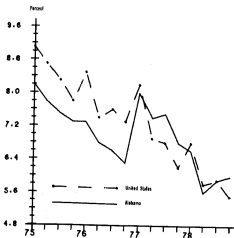
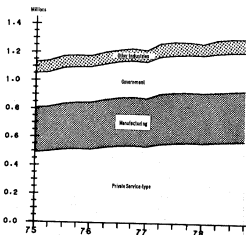


Chart 10.—Industrial Composition of Nonagricultural Employment: Alabama



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Alabama Through Fourth Quarter, 1978

	United States			Alabama			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:IV	1977:IV	1978:IV	1978:IV	1977:III— 1978:III		1977:III— 1978:III	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	618,587	n.a.	7,552	7,847	8,058	n.a.	16.3	17.3	---	---
Commercial and industrial	156,317	n.a.	2,086	2,168	2,425	n.a.	14.2	16.7	---	---
Loans to individuals	146,589	n.a.	2,629	2,743	3,095	n.a.	23.2	17.7	---	---
Real estate	177,935	n.a.	2,699	2,179	2,634	n.a.	19.9	24.7	---	---
Residential	101,238	n.a.	891	515	1,124	n.a.	21.3	26.3	---	---
Farms	7,721	n.a.	186	192	204	n.a.	10.7	16.9	---	---
Other	68,968	n.a.	1,022	1,070	1,287	n.a.	19.0	26.0	---	---
Farms, excluding real estate	25,704	n.a.	387	276	280	n.a.	8.8	-8.5	---	---
Other	80,947	n.a.	431	483	429	n.a.	8.0	-5	---	---
Total deposits	926,611	n.a.	10,889	11,781	12,369	n.a.	11.5	12.1	---	---
Demand	377,683	n.a.	3,988	4,490	4,393	n.a.	10.2	10.1	---	---
Time and savings	547,818	n.a.	6,901	7,211	7,817	n.a.	12.3	10.8	---	---

1. Detail may not add to totals because of rounding.

2. Based on projected data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 25.0 percent (\$142.7 million), to \$714.3 million (table 6). The U.S. rate of gain was 16.8 percent. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the real increase in the total valuation of contracts in Alabama was 12.0 percent versus 3.8 percent nationally.

Nonbuilding contracts increased 99.5 percent in valuation, compared with 22.2 percent nationally. Alabama's increase was one of the largest in the Nation. The valuation of the street and highway component of nonbuilding contracts increased 116.0 percent in the State, compared with a 16.3-percent national decline.

Residential housekeeping contracts increased 21.8 percent in valuation compared with 15.6 percent nationally. The number of dwelling units started increased 2.4 percent (212), to 9,168. Nationally, the number of dwelling units started remained virtually unchanged at a high level. Residential housekeeping additions and alterations increased 28.3 percent in valuation, almost twice as much as nationally.

Nonresidential contracts, in contrast, declined 20.0 percent in valuation in the State, compared with a 15.8-percent national increase. Alabama's decline was one of the largest in the Nation.

Chart 14—Construction Contracts—Total Valuation

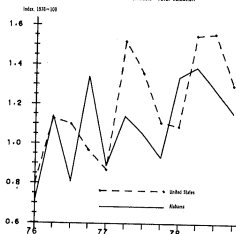


Chart 15—Construction Contracts—Valuation of Contracts by Type, Alabama

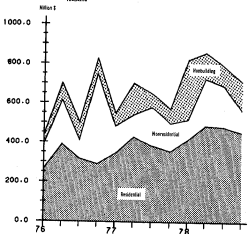


Chart 16—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

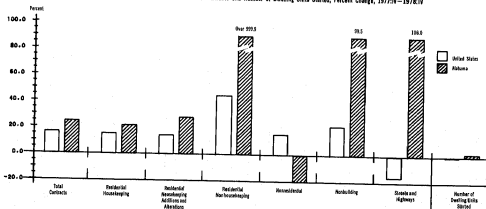


TABLE 6.—Construction Contracts, United States and Alabama Through Fourth Quarter, 1978¹

	United States			Alabama			U.S. State		U.S. State		
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:II— 1978:II	1977:IV— 1978:IV	1977:II— 1978:II	1977:IV— 1978:IV	1977:II— 1978:II
	Not seasonally adjusted						Percent change ²				
Total value of contracts	39,613,131	45,456,773	645,484	571,553	791,308	718,293	14.5	21.8	16.8	25.0	
Residential housing, additions and alterations:											
Value (thousands of dollars)	7,187,467	8,832,253	131,088	113,809	156,587	145,678	16.8	19.5	14.6	28.2	
All other contracts:											
Number of contracts	62,768	56,938	1,024	816	985	906	4.4	-2.8	-9.3	-7.7	
Value (thousands of dollars)	31,705,124	36,627,420	518,416	457,743	634,721	568,615	14.0	22.4	17.4	24.7	
Floor area (thousands of square feet)	881,451	971,566	18,944	17,644	24,180	24,356	10.8	27.2	18.2	5.7	
Residential nonhousing:											
Number of contracts	14,825	14,192	259	250	251	273	-5.1	-3.1	-4.3	5.4	
Value (thousands of dollars)	445,772	443,876	8,995	8,851	10,327	9,388	1.0	14.8	-6	2.4	
Floor area (thousands of square feet)	14,879,596	17,198,518	251,558	242,490	309,721	295,464	15.3	27.1	15.6	21.8	
Floor area (thousands of square feet)	579,733	641,796	12,505	12,370	15,070	12,783	10.3	29.5	10.7	11.7	
Residential nonhousing:											
Number of contracts	507	595	3	2	6	4	-10.0	168.8	-4	128.9	
Value (thousands of dollars)	338,637	466,279	2,145	1,697	6,738	14,165	9.4	214.7	44.8	***	
Floor area (thousands of square feet)	8,467	18,580	97	51	172	394	-7	37.7	24.7	490.9	
Nonresidential:											
Number of contracts	30,756	27,655	525	488	454	383	-2.5	-18.2	-12.0	-21.1	
Value (thousands of dollars)	6,334,415	16,816,789	196,138	141,873	207,463	112,857	27.6	5.6	15.8	-26.0	
Floor area (thousands of square feet)	293,153	319,240	6,346	5,054	8,858	4,270	17.2	39.8	8.9	-15.5	
Nonbuilding:											
Number of contracts	16,761	15,176	207	217	284	236	22.4	33.2	-6.1	8.8	
Value (thousands of dollars)	6,852,476	8,127,854	68,578	73,734	108,819	146,129	-1	47.6	27.2	99.5	
Streets and highways:											
Number of contracts	4,985	4,089	53	65	90	30	9.3	69.8	-17.8	7.7	
Value (thousands of dollars)	3,308,681	1,931,341	6,912	35,470	29,130	76,507	3.6	321.4	-16.3	116.0	

***Percent change greater than 99.9.

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Data for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Alabama are not available.

TABLE 7.—Retail Sales, United States and Alabama Through Fourth Quarter, 1978

	United States			Alabama			U.S. State		U.S. State		
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:II— 1978:II	1977:IV— 1978:IV	1977:II— 1978:II	1977:IV— 1978:IV	1977:II— 1978:II
	Millions of dollars, not seasonally adjusted						Percent change				
Retail sales	197,430	214,820	n.a.	n.a.	n.a.	n.a.	10.3	---	---	13.2	---
Durable goods	62,695	71,573	n.a.	n.a.	n.a.	n.a.	11.8	---	---	15.3	---
Nondurable goods	134,695	147,447	n.a.	n.a.	n.a.	n.a.	9.6	---	---	9.7	---

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Alabama Through Fourth Quarter, 1978

	United States			Alabama			U.S. State		U.S. State		
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:II— 1978:II	1977:IV— 1978:IV	1977:II— 1978:II	1977:IV— 1978:IV	1977:II— 1978:II
	Not seasonally adjusted						Percent change				
New business incorporations	199,411	n.a.	1,214	1,951	1,522	n.a.	8.2	7	---	---	---
Total number of business failures	1,644	n.a.	42	28	26	n.a.	-9.5	-46.5	---	---	---
Current liabilities (thousands of dollars)	484,296	n.a.	10,185	5,111	6,486	n.a.	-44.2	-38.2	---	---	---
Average liability per failure (thousands of dollars)	288	n.a.	243	256	280	n.a.	-33.4	7.6	---	---	---
Business failures by industry:											
Mining and manufacturing	246	n.a.	4	1	1	n.a.	-10.1	-79.0	---	---	---
Construction	316	n.a.	6	5	8	n.a.	1.6	-11.1	---	---	---
Wholesale trade	191	n.a.	4	3	3	n.a.	-27.1	-25.0	---	---	---
Retail trade	688	n.a.	24	5	12	n.a.	-6.2	-56.6	---	---	---
Commercial services	238	n.a.	1	6	1	n.a.	-24.0	6	---	---	---

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income	—Up 3.4% vs. 12.6% in U.S., to \$4.5 billion —Construction payrolls down 29.0% vs. 20.1% gain in U.S. —Mining payrolls up 47.5% vs. 33.9% in U.S.
Consumer prices	—Anchorage index up to 194.8 in 1978:IV (1967=100)
Employment	—Up 6.7% vs. 3.9% in U.S., to 164,000
Unemployment	—Up 4,000, to 20,000 —Rate up 1.7 percentage points, to 11.0% of labor force, highest rate in Nation and twice the national rate
Construction	—Total valuation of contracts up 1.8% vs. 16.8% in U.S., to \$109 million —Number of dwelling-unit starts up 23.5% vs. near stability in U.S., to 766

TABLE 1.—Summary of Economic Indicators, United States and Alaska Through Fourth Quarter, 1978

	United States			Alaska			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:III—1978:III	1977:IV—1978:IV
	All indicators, except income, are seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,043,048	1,782,519	4,225	4,361	4,316	4,451	12.4	2.2	12.6	—
Total wages and salaries (millions of dollars)	1,011,216	1,340,494	3,679	3,677	3,547	3,672	12.1	-2.8	12.6	—
Civilian employment (thousands)	92,442	96,019	166	153	174	164	4.1	4.6	3.9	—
Unemployment (thousands)	6,149	5,605	34	36	18	20	-9.8	31.7	-8.8	2
Percent unemployed (unemployment/labor force)	6.2	5.5	7.5	9.3	9.4	11.0	—	—	—	—
Total hours (millions of dollars)	618,542	n.a.	1,029	1,041	1,155	n.a.	16.3	13.1	—	—
Total deposits (millions of dollars)	925,811	n.a.	1,515	1,519	1,867	n.a.	11.5	10.8	—	—
Total valuation of construction contracts (thousands of dollars)	38,913,111	45,459,773	364,652	167,343	285,794	169,275	14.5	73.6	18.8	—
Dwelling units started (number)	445,772	443,075	1,163	620	1,784	764	1.6	53.6	-6	3
Total retail sales (millions of dollars)	197,030	214,620	n.a.	n.a.	n.a.	n.a.	10.3	—	11.2	—
New business incorporations (number)	194,411	n.a.	343	342	395	n.a.	8.2	-2.3	—	—
Business failures (number)	1,684	n.a.	0	1	0	n.a.	-9.5	—	—	—
Consumer Price Index (1967=100):										
U.S. city average	185.3	261.8	—	—	—	—	7.9	—	8.3	—
Anchorage	—	—	—	—	190.7	194.8	—	—	—	—

n.a.—Data not available.

Sources: See tables 2 through 6.

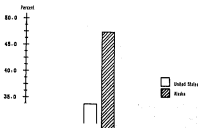
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Alaska increased 3.4 percent from 1977:IV to 1978:IV, an increase that was about one-third of the Nation's and that was the smallest among all States (table 2). In 1978:IV, Alaska's personal income totaled \$4.3 billion, up \$148 million since 1977:IV. The Consumer Price Index (1967=100) for Anchorage was 194.8 in 1978:IV, up from 190.7 in 1978:III (table 3).

Since the last national business cycle peak in 1973:IV, Alaska's economy has grown at one of the fastest rates in the Nation; the increase in the State's nonfarm income was 64 percent more than nationally, ranking Alaska second to Wyoming among all States.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)



From 1977:IV to 1978:IV, wage and salary disbursements (payrolls) in the State declined 0.2 percent, in sharp contrast to the Nation's 12.6-percent average increase. Two of the State's major industries—construction and transportation-communication-public utilities—registered payroll declines that were the largest in the Nation. Construction payrolls declined 29.0 percent, compared with a national increase of 20.1 percent. In 1978:IV, Alaska's construction payrolls accounted for 10.9 percent of all State payrolls; this share was well above the national average share of 5.9 percent. The State's construction share has declined steadily since 1976:IV, when it exceeded 30 percent. Payrolls in the transportation group declined 7.7 percent from year to year, to \$400 million.

Trade payrolls increased 1.6 percent, lagging the Nation's 14.1-percent gain. Services payrolls increased 3.9 percent, compared with a national gain of 12.7 percent, to \$519 million. Federal Government payrolls increased 4.1 percent, lagging the Nation's gain by 3 percentage points.

State and local government payrolls increased 9.2 percent, leading the national average increase of 6.8 percent, to \$617 million. In 1978:IV, these payrolls accounted for 16.8 percent of all State payrolls, a share that was exceeded only in New Mexico (17.5 percent). Mining payrolls increased 47.2 percent, reflecting the growing importance of petroleum to the Alaskan economy.

State unemployment insurance benefits declined 23.7 percent (to \$72 million), compared with a 30.3-percent decline in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

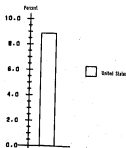


Chart 3.—Total Personal Income
[Seasonally adjusted]

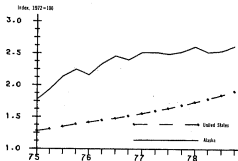


Chart 4.—Industrial Composition of Wages and Salaries: Alaska
(Seasonally adjusted)

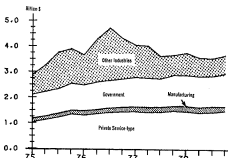


TABLE 2.—Personal Income, United States and Alaska Through Fourth Quarter, 1978

	United States			Mexico			U.S.		Mexico		
	1977-78			1977-78			1977-78		1977-78		
	1977-78	1978-79	1977-78	1977-78	1978-79	1978-79	1977-78	1978-79	1977-78	1978-79	1977-78
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²				
Total personal income	1,543,508	1,782,519	4,325	4,303	4,316	4,491	12.4	2.2	12.6	3.4	
Farm personal income	31,224	39,451	4	5	5	7	47.9	21.8	26.3	37.1	
Nonfarm personal income	1,552,284	1,743,068	4,221	4,298	4,311	4,484	11.9	2.1	12.3	3.4	
Total personal income	1,543,508	1,782,519	4,325	4,303	4,316	4,491	12.4	2.2	12.6	3.4	
Wage and salary disbursements	1,013,216	1,140,696	3,620	3,617	3,547	3,632	12.1	-2.0	12.6	-2	
Other labor income	96,016	111,719	258	268	265	264	17.6	3.0	16.4	3	
Proprietors' income	106,963	126,996	206	205	207	208	21.5	-1.1	18.9	5.3	
Farm	23,836	31,004	3	3	2	2	66.6	-11.9	31.3	46.6	
Nonfarm	82,317	94,950	203	203	205	212	12.8	-1.3	18.3	48.8	
Incidents, interest, and rent	216,982	242,442	333	337	362	332	12.3	14.6	12.8	17.7	
Transfer payments	215,944	231,759	389	399	381	389	8.8	-2.0	8.2	5.6	
Social security and insurance benefits	11,128	12,753	13	94	31	72	-34.0	-30.0	-30.3	-23.7	
Less: personal contributions	62,212	71,810	255	258	251	252	14.8	-3.1	15.1	-2.5	
Plus: residence adjustment	-401	-473	-239	-285	-216	-219	-	-	-	-	
Wage and salary disbursements	1,013,216	1,140,696	3,620	3,617	3,547	3,632	12.1	-2.0	12.6	-2	
Farm	7,176	7,399	2	2	2	2	8.5	38.2	10.6	18.8	
Nonfarm	1,006,040	1,132,757	3,618	3,615	3,545	3,630	12.1	-2.0	12.6	-2	
Mining	14,648	16,813	182	181	223	267	25.5	48.1	31.9	42.5	
Construction	85,648	86,858	872	957	408	484	12.1	15.4	13.2	4.9	
Manufacturing	276,112	312,970	192	194	192	194	12.1	15.4	13.2	4.9	
Durable goods	176,216	202,053	60	63	60	65	12.7	5.7	10.2	-27.0	
Non-durable goods	99,896	109,917	131	133	162	138	9.4	23.7	19.9	5.9	
Private service sector	485,764	515,348	1,403	1,405	1,451	1,455	12.8	-2	13.1	0	
Transportation, communication, and public utilities	76,584	85,264	363	433	497	480	10.4	12.1	11.3	-7.7	
Finance, insurance, and real estate	170,889	199,035	399	424	426	431	13.6	6.9	14.1	1.6	
Services	153,890	169,433	125	138	145	145	14.7	15.7	13.2	5.3	
Wholesale and retail trade	153,890	171,394	166	590	473	519	13.8	16.6	12.7	3.9	
Government	201,252	215,403	1,110	1,339	1,185	1,287	14	-7.7	12.9	9.5	
Federal	68,176	73,093	699	844	648	670	7.3	6.7	4.4	4.1	
State and local	133,076	142,800	911	965	548	617	7.5	8.9	6.8	6.8	
Other	3,216	3,695	30	30	34	33	18.7	13.9	14.6	13.9	

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Alaska Through Fourth Quarter, 1978¹

	United States				Alaska		U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:IV— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:III	1977:IV— 1978:IV
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ^a	105.3	200.6	---	---	---	---	7.8	---	6.9	---
Anchorage	---	---	---	---	190.7	194.6	---	---	---	---

1. Consumer Price indexes are shown for the most relevant SMSAs for which data are available.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Alaska's civilian labor force increased 8.8 percent, the largest advance among all States and well above the Nation's 3.1-percent advance (table 4). Total employment increased from 153,000 to 164,000, a 6.7-percent advance. Alaska's advance was exceeded in only three other States and was almost 3 percentage points above the national average advance.

With employment increasing by only 11,000 and the labor force increasing by 15,000, the number of unemployed increased by 4,000. The unemployment rate increased 1.7 percentage points, to 11.0 percent of the labor force. While in 1977:IV, Alaska's unemployment rate was 3 percentage points above the Nation's 6.2-percent rate; in 1978:IV, it was twice the Nation's 5.5-percent rate and was higher than in any other State. Hawaii and the District of Columbia had the next highest rates, both at 7.8 percent of the labor force.

Chart 5.—Labor Force, Employed, and Unemployed, 1978:IV; Alaska

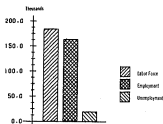


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

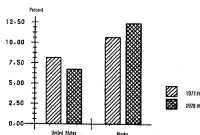


TABLE 4.—Labor Force, United States and Alaska Through Fourth Quarter, 1978

	United States			Alaska			U.S. State		U.S. State	
							1977:IV—1978:IV		1977:IV—1978:IV	
	1977:IV	1978:IV	1977:IV	1978:IV	1978:IV	1978:IV				
Thousands of persons, not seasonally adjusted ¹										
Percent change ²										
Employees on nonagricultural payrolls	84,210	87,700	169	158	167	106	4.3	-1.7	4.2	-1.5
Mining	787	889	5	4	5	5	6.2	8.3	14.2	18.6
Construction	4,832	4,488	21	18	17	13	16.4	-19.3	11.3	-27.5
Manufacturing	19,906	20,722	12	9	15	9	3.1	14.8	3.7	9.3
Transportation, communication, and public utilities	4,701	4,571	16	15	16	14	3.8	-6.4	4.4	-2.7
Wholesale and retail trade	20,152	20,815	29	27	29	28	5.3	-3	4.5	1.1
Finance, insurance, and real estate	4,882	4,756	9	8	8	8	4.8	2.5	-2.0	-1.3
Services	15,530	16,215	27	25	28	25	4.6	-3.7	4.4	.8
Government	15,434	15,958	50	52	51	53	2.1	3.0	1.4	1.9
Civilian labor force ³	98,591	107,615	396	368	392	384	3.2	6.6	3.1	8.8
Total employed	92,442	95,010	166	153	174	364	4.3	4.6	2.9	6.7
Total unemployed	6,149	5,605	14	16	18	20	-9.8	31.7	-8.8	29.5
Percent unemployed	6.2	5.5	2.8	3.2	3.4	11.0				

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

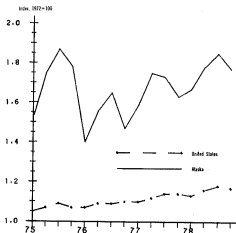


Chart 8.—Civilian Employment

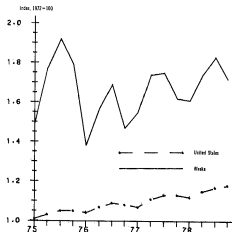


Chart 9.—Unemployment Rate

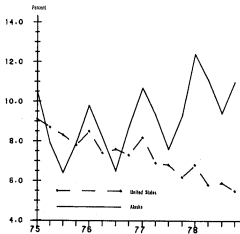
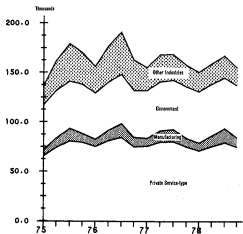


Chart 10.—Industrial Composition of Nonagricultural Employment: Alaska



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Alaska Through Fourth Quarter, 1978

	United States			Alaska			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	618,562	n.a.	1,029	1,041	1,155	n.a.	16.2	13.1	---	---
Commercial and industrial	196,317	n.a.	327	298	364	n.a.	14.2	20.4	---	---
Loans to individuals	140,539	n.a.	254	285	286	n.a.	20.2	12.8	---	---
Real estate	177,535	n.a.	411	446	466	n.a.	19.9	13.2	---	---
Residential	164,236	n.a.	215	214	231	n.a.	21.3	7.5	---	---
Farms	7,730	n.a.	0	0	0	n.a.	10.7	61.9	---	---
Other	68,568	n.a.	197	232	235	n.a.	19.0	19.6	---	---
Farms, excluding real estate	25,704	n.a.	0	0	0	n.a.	6.8	-77.8	---	---
Other	60,947	n.a.	28	12	8	n.a.	8.8	-68.8	---	---
Total deposits	928,511	n.a.	1,515	1,519	1,867	n.a.	11.5	10.6	---	---
Demand	377,683	n.a.	710	725	786	n.a.	10.2	2.1	---	---
Time and savings	547,828	n.a.	745	793	881	n.a.	12.3	18.2	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

The total valuation of contracts rose only 1.8 percent from 1977:IV to 1978:IV, to \$109 million. Alaska's gain lagged the Nation's gain by 15 percentage points (table 6). National construction costs rose about 13 percent during the same timespan; if this rise reflects the advance throughout Alaska, the real valuation of contracts declined about 11 percent in the State versus a rise of about 4 percent nationally.

The valuation of residential nonhousekeeping contracts in Alaska declined from \$11.2 million in 1977:IV to only \$600,000 in 1978:IV. This sharp year-to-year percent decline compared with a 44.8-percent national increase.

Nonbuilding contracts also declined in valuation, from \$33.8 million in 1977:IV to \$28.0 million in 1978:IV. This 17.1-percent decline compared with a 22.2-percent gain nationally. A major component of nonbuilding contracts, streets and highways, declined 26.1 percent in valuation, to \$10.6 million.

The valuation of nonresidential contracts rose 10.4 percent, lagging the Nation's average gain of 15.8 percent, to \$27.5 million.

Both major types of residential housekeeping contracts registered gains in valuation that far exceeded those of national counterparts. The valuation of contracts for additions and alterations to resident housekeeping units rose 31.5 percent, more than twice the national gain to \$10.8 million. Alaska's gain was exceeded by gains in only five States. The valuation of contracts for new residential housekeeping units rose by almost one-half, compared with a national gain of 15.6 percent, \$42.3 million. The number of dwelling units started rose from 620 to 766; the State's 23.5-percent gain was one of the largest in the Nation. Nationally, in contrast, the number of dwelling units started was almost unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

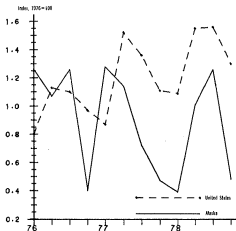


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Alaska

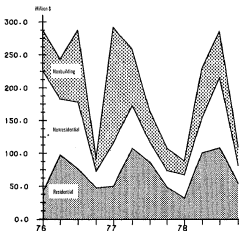


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV

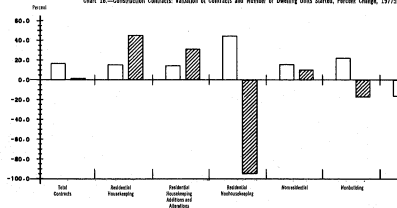


TABLE 6.—Construction Contracts, United States and Alaska Through Fourth Quarter, 1978^a

	United States			Alaska			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Not seasonally adjusted						Percent change ^b			
Total value of contracts	36,512,311	45,459,373	164,652	197,243	285,796	109,276	14.5	73.6	16.1	1.8
Resident or housekeeping, additions and alterations:										
Value (thousands of dollars)	7,707,987	8,832,353	8,907	8,246	10,796	19,943	16.8	26.8	14.6	31.5
All other contracts:										
Number of contracts	62,388	58,938	229	204	315	187	4.4	43.2	-9.3	-8.3
Value (thousands of dollars)	31,295,124	36,627,430	158,145	89,087	275,010	98,433	14.0	76.1	17.4	-7
Floor area (thousands of square feet)	881,453	971,596	4,727	1,231	3,409	1,240	10.8	-27.9	10.2	2.4
Resident or housekeeping:										
Number of contracts	14,825	14,102	83	62	197	98	-5.1	38.9	-4.3	58.1
Value (thousands of dollars)	445,772	442,675	1,153	620	1,786	706	1.0	53.6	-8	23.5
Floor area (thousands of square feet)	14,879,585	17,180,518	64,093	24,443	66,973	42,315	15.3	48.4	15.0	45.2
Residential nonhousekeeping:										
Number of contracts	507	505	7	4	2	2	-10.0	-57.1	-4	-50.0
Value (thousands of dollars)	338,637	410,219	11,808	11,184	1,078	557	9.4	-90.9	44.8	-95.0
Floor area (thousands of square feet)	8,467	10,580	289	165	2	0	-7	-88.5	24.7	---
Nonresidential:										
Number of contracts	30,256	37,095	58	58	85	38	-2.5	45.8	-12.0	-34.5
Value (thousands of dollars)	8,394,415	10,893,191	30,395	24,528	106,994	27,571	27.5	258.2	15.8	10.4
Floor area (thousands of square feet)	282,253	319,308	2,183	381	1,882	326	12.2	-50.5	8.9	-9.8
Manufacturing:										
Number of contracts	16,761	15,116	71	80	119	49	22.4	67.6	-9.1	-38.7
Value (thousands of dollars)	6,052,426	8,427,814	47,479	33,832	70,015	28,030	-3	47.5	22.2	-17.4
Streets and highways:										
Number of contracts	4,956	4,090	38	22	28	8	9.1	55.8	-17.8	-63.6
Value (thousands of dollars)	2,388,680	3,931,261	22,884	14,284	14,061	10,622	3.0	-38.0	-16.3	-26.1

1. Contracts dated or expected to start within 60 days.

2. Percent change for floor area based on completed data.

Source: J. M. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Alaska are not available.

TABLE 7.—Retail Sales, United States and Alaska Through Fourth Quarter, 1978

	United States			Alaska			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	297,818	219,020	n.a.	n.a.	n.a.	n.a.	16.3	---	11.2	---
Durable goods	82,965	71,573	n.a.	n.a.	n.a.	n.a.	11.8	---	15.3	---
Nondurable goods	134,965	147,447	n.a.	n.a.	n.a.	n.a.	9.6	---	9.2	---

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Alaska Through Fourth Quarter, 1978

	United States			Alaska			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Not seasonally adjusted						Percent change			
New business incorporations	1,09,411	n.a.	343	342	335	n.a.	6.2	-2.3	---	---
Total number of business failures	1,684	n.a.	0	1	0	n.a.	-8.5	---	---	---
Current liabilities (thousands of dollars)	484,296	n.a.	0	255	0	n.a.	-44.2	---	---	---
Average liability per failure (thousands of dollars)	288	n.a.	0	255	0	n.a.	-38.4	---	---	---

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income

- Up 17.5% vs. 12.6% in U.S., to \$18.4 billion
- Construction payrolls up 45.0%, largest gain in U.S.
- Private service-type payrolls up 19.2% vs. 13.1% in U.S.

Employment

- Up 6.7% vs. 3.9% in U.S., to 984,000

Unemployment

- Down 14,000, to 57,000
- Rate down 1.6 percentage points, to 5.5% of labor force, same as in U.S.

Construction

- Total valuation of contracts up 52.0% vs. 16.8% in U.S., to \$892 million
- Number of dwelling-unit starts up 28.0% vs. near stability in U.S., to 13,442

TABLE 1.—Summary of Economic Indicators, United States and Arizona Through Fourth Quarter, 1978

	United States			Arizona			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV	1977:IV— 1978:IV
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars).....	1,583,530	1,782,519	15,078	15,680	17,731	18,420	12.4	17.6	12.6	17.5
Total wages and salaries (millions of dollars).....	1,813,216	2,149,696	9,437	9,986	11,232	11,724	12.1	19.9	12.8	19.6
Civilian employment (thousands).....	92,442	98,011	893	922	938	964	4.1	5.1	3.9	6.7
Unemployment (thousands).....	6,149	5,605	88	71	57	57	-8.8	-28.5	-8.8	-18.4
Percent unemployed (unemployment/labor force).....	6.2	5.5	8.3	7.3	6.8	5.5	---	---	---	---
Total loans (millions of dollars).....	619,582	n.a.	5,081	5,417	6,106	n.a.	16.3	29.2	---	---
Total deposits (millions of dollars).....	825,511	n.a.	7,990	7,600	8,228	n.a.	11.5	16.1	---	---
Total valuation of construction contracts (thousands of dollars).....	16,813,111	45,458,773	717,181	986,944	841,316	891,880	14.5	17.1	16.8	52.0
Dwelling units started (number).....	445,772	643,875	12,814	10,498	15,179	11,442	1.9	29.3	-8	28.0
Total retail sales (millions of dollars).....	197,030	219,820	n.a.	n.a.	n.a.	n.a.	10.3	---	11.2	---
New business incorporations (number).....	189,411	n.a.	1,787	1,714	2,394	n.a.	6.2	38.2	---	---
Business failures (number).....	3,684	n.a.	16	18	11	n.a.	-9.5	-31.2	---	---
Consumer Price Index (1967=100): U.S. city average.....	185.3	201.8	---	---	---	---	7.9	---	8.9	---

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Arizona increased 17.5 percent from 1977:IV to 1978:IV, far outpacing the Nation's 12.6-percent increase and ranking fifth among all State increases (table 2). In 1978:IV, Arizona's personal income totaled \$18.4 billion, up \$2.7 billion since 1977:IV.

Reflecting strong increases in all but one major industry, wage and salary disbursements (payrolls) increased 18.6 percent versus 12.6 percent nationally, to \$11.7 billion. The increase was larger only in Wyoming and Nevada. Construction payrolls increased 45.0 percent, leading all Arizona payroll gains and ranking first among all construction payroll gains nationally. From 1977:IV to 1978:IV, three of the four private service-type industries registered payroll gains that

were among the largest in the Nation. Mainly reflecting increased tourism—due, in part, to the recent deregulation of the Nation's airlines—trade payrolls increased 21.6 percent versus 14.1 percent nationally, and transportation-communication-public utilities payrolls increased 14.2 percent versus 11.3 percent nationally. Services industry payrolls increased 18.2 percent, compared with a national increase of 12.7 percent. Manufacturing payrolls increased 17.2 percent, outpacing the Nation's gain by almost 4.0 percentage points. Payrolls in both the durables and nondurables components of manufacturing increased more than national counterparts. Federal Government payrolls in the State increased 12.2 percent, one of the largest increases in the Nation, to \$993 million. State and local government payrolls increased 7.6 percent, the smallest increase among the State's major industries, compared with 6.8 percent nationally.

Mining payrolls increased 24.6 percent, apparently signaling recovery from reduced levels of output in 1977 and the first three quarters of 1978. World copper prices increased in 1978:IV, thereby stimulating copper output in the State. Copper mining in Arizona accounts for 85 percent of the value of the State's mining output and for 55 percent of all copper tonnage mined in the United States.

With Arizona's economy expanding at a faster rate than the Nation's, State unemployment insurance benefits were 37.2 percent lower in 1978:IV than in 1977:IV, compared with a 30.3-percent decline nationally.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
(Seasonally adjusted)

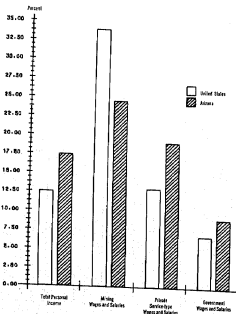


Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

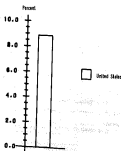


Chart 3.—Total Personal Income
(Seasonally adjusted)

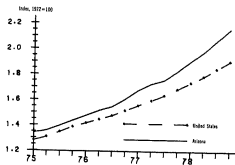


Chart 4.—Industrial Composition of Wages and Salaries: Arizona
(Seasonally adjusted)

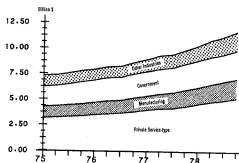


TABLE 2.—Personal income, United States and Arizona Through Fourth Quarter, 1978

	United States			Arizona			U.S. State		U.S. State		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:IV
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²				
Total personal income.....	1,583,598	1,782,519	15,878	15,680	17,731	18,420	22.4	17.6	12.5	27.5	
Farm personal income.....	31,224	35,451	284	302	433	445	47.9	52.4	24.3	47.7	
Nonfarm personal income.....	1,552,374	1,747,068	14,794	15,378	17,298	17,975	11.9	14.3	12.3	16.6	
Total personal income.....	1,583,598	1,782,519	15,878	15,680	17,731	18,420	22.4	17.6	12.5	27.5	
Wage and salary disbursements.....	1,063,216	1,340,056	9,437	9,886	11,232	11,724	12.1	19.0	12.6	18.6	
Other labor income.....	86,016	111,719	835	884	1,042	1,083	17.8	24.7	14.4	22.5	
Proprietors' income.....	105,953	125,995	748	775	916	1,017	21.5	30.6	18.9	31.8	
Rents.....	23,635	31,644	159	171	206	302	66.4	85.9	15.3	18.0	
Dividends, interest, and cash.....	82,217	94,951	589	605	681	714	12.8	15.6	12.8	14.9	
Transfer payments.....	214,582	242,442	2,427	2,494	2,771	2,866	12.3	14.2	12.8	14.9	
State unemployment insurance benefits.....	215,544	231,756	2,211	2,242	2,439	2,472	8.8	9.9	8.2	10.3	
Less: personal contributions.....	12,226	7,753	59	48	30	30	-24.8	-44.3	-30.3	-37.2	
Net: residence adjustments.....	62,212	71,610	553	514	684	705	14.8	23.5	15.1	23.0	
.....	-401	-473	-27	-29	-35	-37	---	---	---	---	
Wage and salary disbursements.....	1,013,235	1,340,056	9,437	9,886	11,232	11,724	12.1	19.0	12.6	18.6	
Farm.....	7,175	7,939	122	127	134	140	8.5	9.8	10.4	9.8	
Nonfarm.....	1,006,060	1,332,117	9,316	9,759	11,098	11,585	12.1	18.3	12.6	18.7	
Mining.....	14,648	18,813	352	328	366	429	26.5	12.3	33.9	24.6	
Construction.....	15,648	46,858	777	857	1,149	1,243	15.1	47.8	20.1	45.0	
Manufacturing.....	276,112	312,870	1,529	1,615	1,848	1,894	12.3	21.9	13.3	12.2	
Durable goods.....	176,216	203,059	1,216	1,201	1,488	1,539	13.7	22.4	15.2	17.4	
Non-durable goods.....	95,896	109,817	313	315	351	354	9.4	15.6	10.6	19.7	
Private service-type.....	455,704	515,344	4,184	4,324	5,022	5,225	12.8	19.5	13.3	19.7	
Transportation, communication, and public utilities.....	76,584	85,248	637	642	760	791	10.4	18.4	11.3	14.7	
Wholesale and retail trade.....	170,888	195,825	1,622	1,685	1,963	2,057	13.6	26.9	14.1	21.4	
Finance, insurance, and real estate.....	54,452	61,653	502	534	624	696	14.1	24.1	15.2	20.9	
Services.....	153,840	173,396	1,423	1,462	1,657	1,728	12.6	14.9	12.7	18.3	
Government.....	281,252	215,883	2,432	2,540	2,653	2,714	7.4	9.1	6.9	9.2	
Federal.....	68,116	73,023	843	888	945	993	7.3	12.1	7.1	12.2	
State and local.....	133,008	142,860	1,588	1,652	1,708	1,721	7.5	7.5	6.8	7.4	
Deficit.....	3,216	3,693	42	64	51	50	18.7	20.7	14.6	15.6	

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Arizona Through Fourth Quarter, 1978¹

	United States			Arizona			U.S. State		U.S. State		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:IV
	Index, 1967=100, not seasonally adjusted						Percent change				
U.S. city average ²	185.3	201.8	---	---	---	---	7.5	---	8.9	---	---

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Arizona's civilian labor force increased 4.8 percent, well above the Nation's 3.1-percent advance (table 4). Total employment increased from 922,000 to 984,000, a 6.7-percent advance. Arizona's advance was exceeded in only three other States and was almost 3 percentage points above the national average advance.

With employment increasing by 62,000 and the labor force increasing by only 48,000, the number of unemployed declined by 14,000. The unemployment rate declined 1.6 percentage points, to 5.5 percent of the

labor force. While in 1977:IV, Arizona's unemployment rate was well above the national rate, in 1978:IV, it equaled the national rate.

Across the State, unemployment rates varied somewhat. According to preliminary data for December 1978, unemployment rates in the major metropolitan areas of Phoenix (Maricopa County) and Tucson (Pima County) were lower, at 4.5 and 4.6 percent, respectively, than the preliminary State rate of 5.4 percent. The unemployment rate outside of Maricopa and Pima Counties was 8.8 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV, Arizona

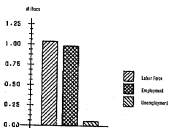


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

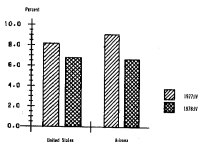


TABLE 4.—Labor Force, United States and Arizona Through Fourth Quarter, 1978

	United States and Arizona through fourth quarter, 1978										
	United States				Arizona		U.S.	State	U.S.	State	
	1977:IV		1978:III		1977:IV	1978:III	1978:IV	1977:III–1978:III		1977:IV–1978:IV	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²				
Employees on nonagricultural payrolls	84,216	87,708	789	821	841	881	4.3	8.3	4.2	7.3	
Mining	787	819	19	19	20	20	8.2	3.4	14.2	5.8	
Manufacturing	4,032	4,488	51	54	65	68	10.4	21.9	11.3	28.9	
Transportation, communications, and public utilities	19,585	20,722	113	115	122	125	5.1	7.9	3.7	8.7	
Wholesale and retail trade	4,251	4,571	41	42	45	46	3.8	8.6	4.4	5.6	
Finance, insurance, and real estate	15,152	20,611	192	199	204	214	5.3	6.1	4.5	7.5	
Services	4,852	4,718	45	46	48	49	4.8	5.7	-2.0	5.6	
Government	15,539	16,215	153	157	158	163	4.5	3.5	4.4	4.3	
	15,424	16,506	179	190	180	194	2.1	2.6	1.4	2.5	
Civilian labor force ³	98,991	103,425	973	993	996	1,041	3.2	2.3	3.1	4.8	
Total employed	92,442	95,610	893	922	938	964	4.1	5.1	3.9	6.7	
Total unemployed	6,149	5,805	80	71	57	57	-9.8	-28.5	-8.2	-19.4	
Percent unemployed	6.2	5.5	8.3	7.1	5.8	5.5					

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

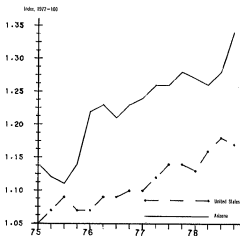


Chart 8.—Civilian Employment

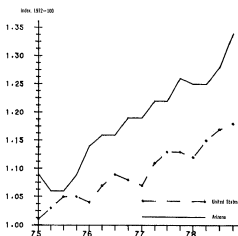


Chart 9.—Unemployment Rate

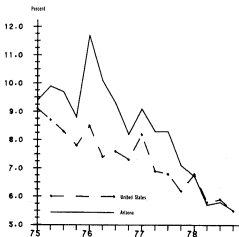
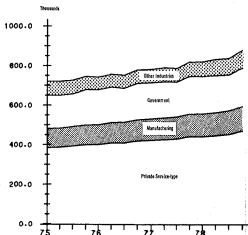


Chart 10.—Industrial Composition of Nonagricultural Employment: Arizona



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Arizona Through Fourth Quarter, 1978

	United States			Arizona			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	610,562	n.a.	5,081	5,437	6,100	n.a.	18.3	20.2	---	---
Commercial and industrial	195,317	n.a.	1,339	1,475	1,456	n.a.	14.2	5.4	---	---
Loans to individuals	343,559	n.a.	1,494	1,559	1,855	n.a.	26.2	25.1	---	---
Real estate	177,935	n.a.	1,520	1,677	1,386	n.a.	15.9	22.6	---	---
Residential	101,236	n.a.	1,219	1,250	1,490	n.a.	21.3	19.8	---	---
Farms	7,731	n.a.	13	13	9	n.a.	10.7	-33.0	---	---
Other	68,958	n.a.	388	414	517	n.a.	15.0	33.2	---	---
Farms, excluding real estate	25,704	n.a.	290	295	336	n.a.	6.8	15.5	---	---
Other	69,947	n.a.	356	411	474	n.a.	8.0	33.3	---	---
Total deposits	925,511	n.a.	7,090	7,041	6,229	n.a.	11.5	18.1	---	---
Current	377,683	n.a.	2,566	2,381	3,083	n.a.	10.2	20.2	---	---
Time and savings	547,828	n.a.	4,524	4,620	3,145	n.a.	12.3	13.7	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

The total valuation of contracts in Arizona rose 52.0 percent from 1977:IV to 1978:IV (to \$892 million), far exceeding the Nation's 16.8-percent average gain and ranking fourth among all State gains (table 6).

Continuing strong advances in the Maricopa County (Phoenix) residential housekeeping market were mainly responsible for the State's year-to-year gain in the total valuation of contracts. Statewide, the valuation of residential housekeeping contracts increased \$162 million, a 55.5-percent gain that outpaced the 15.6-percent national average and was exceeded by gains in only three other States. One-family housing units in Maricopa County accounted for well over 60 percent of the total valuation of residential housekeeping contracts in Arizona in 1978:IV. The number of dwelling units started rose 28.0 percent, or almost 2,000 units, to 13,442. In contrast, the number of dwelling units

in the Nation was virtually unchanged at a high level. The valuation of contracts for additions and alterations to residential housekeeping units rose 29.8 percent, twice the national average, to \$103 million.

The valuation of nonbuilding contracts more than doubled, to \$151 million in 1978:IV. The gain was one of the largest in the Nation and far outpaced the Nation's average of 22.2 percent. Arizona's large gain was partly due to a 50-percent gain (to \$54 million) in the valuation of street and highway contracts versus a 16.3-percent decline nationally.

Nonresidential contracts rose 18.0 percent in valuation from year to year, the smallest gain among Arizona's major construction markets, to \$173 million. The gain marginally outpaced the Nation's 15.8-percent gain.

Chart 14.—Construction Contracts—Total Valuation

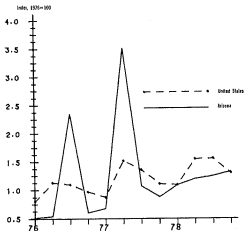


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Arizona

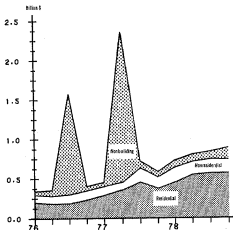


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

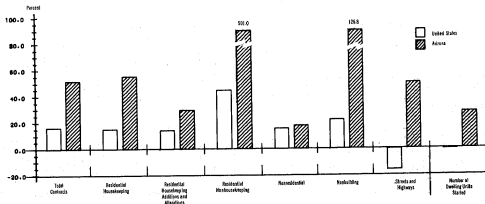


TABLE 6.—Construction Contracts, United States and Arizona Through Fourth Quarter, 1978¹

	United States			Arizona			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:III	1977:IV— 1978:IV
	Not seasonally adjusted						Percent change ²			
Total value of contracts	38,913,111	45,435,772	712,181	586,644	641,316	891,880	14.5	12.3	16.8	521
Residential housekeeping, additions and alterations	7,797,987	8,832,353	83,029	73,384	110,839	192,968	16.8	36.8	14.6	791
Other contracts	31,115,124	36,603,419	629,152	513,260	530,477	798,912	14.0	14.8	17.4	351
Number of contracts	881,453	971,596	15,233	15,685	23,474	21,229	10.8	22.1	10.2	331
Residential housekeeping	14,825	14,192	145	125	135	128	-5.1	-6.9	-4.5	24
Number of dwelling units	445,772	443,075	12,614	18,488	15,179	33,442	1.0	20.3	-	285
Value (thousands of dollars)	14,879,506	17,190,518	376,280	292,792	440,385	455,174	15.3	20.8	15.6	365
Floor area (thousands of square feet)	579,733	641,799	13,468	18,944	16,438	36,262	10.3	22.6	10.7	493
Residential nonhousekeeping	597	595	7	19	7	10	-10.0	.0	-4	6
Value (thousands of dollars)	338,637	490,279	3,789	1,058	8,864	9,864	9.4	129.4	64.8	501.1
Floor area (thousands of square feet)	8,467	10,560	121	49	174	159	-7	35.1	24.7	279.1
Nonresidential	30,796	27,055	521	489	555	848	-2.5	6.5	-12.6	315
Value (thousands of dollars)	9,334,415	10,810,769	176,532	146,192	138,449	172,542	27.6	-1	16.8	181
Floor area (thousands of square feet)	293,253	313,240	5,696	4,742	5,662	4,608	12.2	20.5	8.9	1.1
Nonbuilding	16,701	13,176	251	198	384	262	22.4	21.1	-9.1	27.1
Value (thousands of dollars)	6,652,476	8,127,854	87,871	66,681	95,466	151,232	-1.1	15.2	22.2	126.4
Streets and highways	4,386	4,689	93	57	112	82	9.3	20.4	-17.8	439
Value (thousands of dollars)	2,388,681	1,931,341	38,215	36,147	58,014	54,133	3.0	51.8	-16.3	56.2

1. Contracts started or expected to start within 90 days.
2. Percent changes for floor area based on unrounded data.

Source: F. M. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Arizona are not available.

TABLE 7.—Retail Sales, United States and Arizona Through Fourth Quarter, 1978

	United States			Arizona			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:III	1977:IV— 1978:IV
	Billions of dollars, not seasonally adjusted						Percent change			
Total sales	197,631	213,029	n.a.	n.a.	n.a.	n.a.	10.3	---	11.2	---
Nonstore sales	62,665	71,573	n.a.	n.a.	n.a.	n.a.	11.8	---	15.3	---
Store sales	134,965	141,447	n.a.	n.a.	n.a.	n.a.	9.6	---	9.2	---

n.a. Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Arizona Through Fourth Quarter, 1978

	United States			Arizona			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:III	1977:IV— 1978:IV
	Not seasonally adjusted						Percent change			
New business incorporations	161,411	n.a.	1,787	1,714	2,394	n.a.	4.2	35.2	---	---
Total number of business failures	3,584	n.a.	16	15	11	n.a.	-9.5	-31.2	---	---
Current liabilities (thousands of dollars)	484,296	n.a.	2,360	1,693	2,159	n.a.	-44.2	-20.6	---	---
Average liability per failure (thousands of dollars)	288	n.a.	173	112	200	n.a.	-38.4	15.6	---	---
Business failures by industry										
Mining and manufacturing	249	n.a.	1	1	1	n.a.	-10.1	.0	---	---
Construction	319	n.a.	5	3	2	n.a.	1.0	-50.0	---	---
Wholesale trade	191	n.a.	2	0	2	n.a.	-27.1	.0	---	---
Retail trade	689	n.a.	7	7	4	n.a.	-4.2	-42.9	---	---
Commercial services	238	n.a.	1	4	2	n.a.	-24.0	100.0	---	---

n.a. Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

- Personal income** —Up 15.2% vs. 12.6% in U.S., to \$14.2 billion
 —Farm personal income up 59.4% vs. 26.3% in U.S.
- Employment** —Down 1.7% vs. 3.9% increase in U.S., to 855,000
- Unemployment** —Up 13,000, to 70,000
 —Rate up to 7.5% of labor force vs. 5.5% U.S. rate
- Construction** —Total valuation of contracts up 2.8% vs. 16.8% in U.S., to \$413.7 million
 —Valuation of nonbuilding contracts down 34.8% vs. 22.2% increase in U.S.
 —Number of dwelling-unit starts down 2.6% vs. near stability in U.S., to 5,454

TABLE 1.—Summary of Economic Indicators, United States and Arkansas Through Fourth Quarter, 1978

	United States			Arkansas			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:II	1978:IV	1977:III— 1978:II		1977:IV— 1978:IV	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars).....	1,583,898	1,782,519	12,834	12,369	13,888	14,246	12.4	15.4	12.6	15.2
Total wages and salaries (millions of dollars).....	1,013,258	1,140,896	6,739	6,831	7,886	7,799	12.1	12.9	12.8	12.5
Civilian employment (thousands).....	92,442	96,609	883	889	883	895	4.1	-3	3.9	-1.7
Unemployment (thousands).....	6,149	5,865	95	57	56	70	-9.8	1.6	-8.8	22.0
Percent unemployed (unemployment/labor force).....	6.2	5.5	5.9	6.2	6.8	7.5	---	---	---	---
Total loans (millions of dollars).....	610,882	n.a.	4,741	4,880	5,363	n.a.	18.3	13.1	---	---
Total deposits (millions of dollars).....	925,511	n.a.	7,813	7,447	7,774	n.a.	11.5	16.9	---	---
Total value of construction contracts (thousands of dollars).....	38,813,131	45,459,773	436,707	492,571	625,167	413,678	14.5	28.3	16.8	2.8
Dwelling units started (number).....	445,772	443,075	5,762	5,881	6,507	5,484	1.0	14.1	-6	-2.6
Total retail sales (millions of dollars).....	197,830	218,026	n.a.	n.a.	n.a.	n.a.	10.7	---	11.2	---
New business incorporations (number).....	109,473	n.a.	965	912	846	n.a.	8.2	-10.9	---	---
Business failures (number).....	1,684	n.a.	12	12	12	n.a.	-5.5	.0	---	---
Consumer Price Index (1967=100): U.S. city average.....	185.3	201.8	---	---	---	---	7.9	---	8.9	---

n.a.: Data not available.

Source: See Tables 2 through 8.

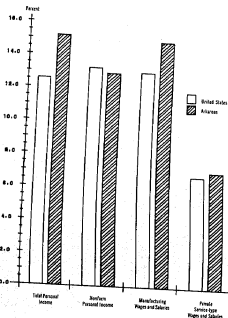
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 15.2 percent from 1977:IV to 1978:IV, compared with a 12.6-percent national increase (table 2). In 1978:IV, the State's personal income totaled \$14.2 billion, up \$1.9 billion since 1977:IV.

Arkansas' increase in personal income, the largest in the Southeast region, would have been considerably smaller had it not been for a 59.4-percent increase in farm personal income, compared with a 26.3-percent national gain. The State's nonfarm personal income increased 12.2 percent from year to year, almost the same as nationally. In contrast, since the last national business cycle peak in 1973:IV, Arkansas' nonfarm economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 17 percent more than nationally, ranking Arkansas 16th among all States.

Chart 1—Personal Income, Percent Change, 1977:IV–1978:IV
(Seasonally adjusted)



Wage and salary disbursements (payrolls) in the State increased 12.5 percent from 1977:IV to 1978:IV, a fraction less than nationally. In 1978:IV, they totaled \$7.8 billion, up \$868 million since 1977:IV. Durable goods manufacturing payrolls increased 14.1 percent in the State versus 15.2 percent nationally, and nondurable manufacturing payrolls increased 11.7 percent versus 10.0 percent.

Within Arkansas' private service-type industry group, payrolls increased more slowly than nationally only in finance-insurance-real estate—11.4 percent versus 13.2 percent. Payrolls in transportation-communication-public utilities increased 12.6 percent in the State versus 11.3 percent nationally, and trade payrolls increased 17.5 percent versus 14.1 percent nationally. Services payrolls increased 14.4 percent in the State and 12.7 percent nationally.

Payrolls in construction increased only 9.1 percent in Arkansas, less than one-half of the national gain. The State's increase ranked 48th in the Nation. Federal Government payrolls increased 8.2 percent from year to year versus 7.1 percent nationally, and State and local government payrolls increased 6.7 percent, a fraction less than nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 13.9 percent, the sixth smallest decline in the Nation. State unemployment insurance benefits throughout the Nation declined 30.3 percent.

Chart 2—Consumer Price Index, Percent Change, 1977:IV–1978:IV

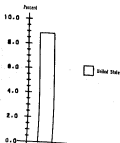


Chart 3.—Total Personal Income:
[Seasonally adjusted]

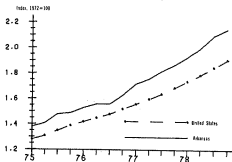


Chart 4.—Industrial Composition of Wages and Salaries: Arkansas
[Seasonally adjusted]

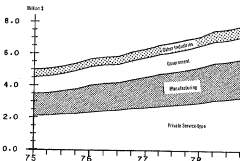


TABLE 2.—Personal Income, United States and Arkansas Through Fourth Quarter, 1978

	United States			Arkansas			U.S. State		U.S. State		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:IV
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²				
Total personal income.....	1,883,508	1,782,515	12,038	12,309	12,288	14,246	12.4	18.4	12.8	18.4	18.4
Farm personal income.....	31,324	30,451	775	785	1,227	1,252	47.9	58.3	26.3	59.6	59.6
Nonfarm personal income.....	1,552,284	1,742,064	11,262	11,584	12,661	12,994	11.9	12.4	12.3	12.3	12.3
Total personal income.....	1,583,508	1,762,515	12,038	12,369	13,888	14,246	12.4	18.4	12.6	18.4	18.4
Wages and salary disbursements.....	1,013,216	1,142,096	6,739	6,931	7,606	7,799	12.1	12.9	12.6	12.9	12.9
Other labor income.....	16,016	11,719	896	725	818	839	17.0	17.6	16.4	15.4	15.4
Proprietors' income.....	105,953	125,995	1,485	1,489	2,009	2,058	21.5	37.0	18.9	38.8	38.8
Farm.....	23,639	31,044	617	683	1,122	1,142	66.6	66.6	31.3	67.1	67.1
Nonfarm.....	82,314	94,951	768	806	887	916	12.8	12.4	15.3	14.4	14.4
Dividends, interest, and rent.....	204,992	240,442	1,549	1,584	1,713	1,771	12.3	11.3	12.8	11.3	11.3
Transfer payments.....	215,544	230,790	2,861	2,811	2,564	2,315	8.8	16.4	8.2	9.9	9.9
State unemployment insurance benefits.....	11,228	7,753	55	78	55	67	-24.0	-1	-30.3	-11.1	-11.1
Less: personal contributions.....	82,212	71,610	470	478	542	549	14.8	15.3	15.1	14.4	14.4
Plus: residence adjustment.....	-401	-473	8	10	10	12	---	---	---	---	---
Wages and salary disbursements.....	1,013,216	1,142,096	6,739	6,931	7,606	7,799	12.1	12.9	12.6	12.9	12.9
Farm.....	7,175	7,939	96	100	103	106	8.5	7.3	10.6	6.1	6.1
Nonfarm.....	1,006,040	1,132,757	6,643	6,831	7,503	7,693	12.1	12.9	12.6	12.9	12.9
Mining.....	14,648	16,893	67	65	88	81	26.5	18.3	33.9	23.3	23.3
Construction.....	55,648	66,858	415	419	466	457	19.1	12.2	20.1	9.1	9.1
Manufacturing.....	276,112	312,679	2,064	2,124	2,345	2,401	12.1	13.6	13.3	13.0	13.0
Durable goods.....	176,216	203,053	1,124	1,189	1,295	1,347	13.7	14.3	13.2	14.0	14.0
Nondurable goods.....	99,896	109,617	940	934	1,050	1,054	9.4	12.8	10.0	11.5	11.5
Private service-type.....	455,764	515,348	2,815	2,893	3,224	3,226	12.8	14.3	13.1	15.1	15.1
Transportation, communication, and public utilities.....	76,584	85,264	526	581	606	620	10.4	13.3	11.3	14.1	14.1
Wholesale and retail trade.....	176,808	195,035	1,164	1,188	1,352	1,355	13.6	15.6	14.1	17.1	17.1
Finance, insurance, and real estate.....	54,452	61,553	291	302	326	336	14.1	12.8	13.2	11.1	11.1
Services.....	151,948	173,286	823	812	948	975	12.6	14.3	12.7	14.4	14.4
Government.....	204,252	215,083	1,251	1,353	1,358	1,357	7.4	8.6	6.9	7.1	7.1
Federal.....	68,176	73,083	419	434	431	426	7.5	8.1	6.8	6.3	6.3
State and local.....	133,676	142,080	832	899	927	927	7.5	8.1	6.8	6.3	6.3
Other.....	3,216	3,885	26	27	31	30	18.7	16.9	14.6	10.7	10.7

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Arkansas Through Fourth Quarter, 1978¹

	United States			Arkansas			U.S. State		U.S. State		
	1977:IV	1978:III	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:IV
	Index, 1967 = 100, not seasonally adjusted						Percent change				
U.S. city average ²	185.7	201.8	---	---	---	---	7.9	---	8.9	---	---

1. Consumer Price indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Arkansas' civilian labor force declined 0.2 percent versus a 3.1-percent U.S. increase (table 4). Total employment declined 1.7 percent versus a 3.9-percent U.S. increase, to 855,000.

With employment declining by about 14,000 and the labor force declining by about 2,000, the number of unemployed increased between 12,000 and 13,000. Arkansas' unemployment rate increased 1.3 percentage points, to 7.5 percent of the labor force—the fourth highest rate in the Nation, after the 11.0-percent rate registered in Alaska and the 7.8-percent rate registered in both Hawaii and the

District of Columbia. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Among Arkansas' major metropolitan areas, preliminary unemployment rates for December 1978, when the State's rate was 7 percent, ranged from 10.7 percent in Fort Smith to 5.8 percent Fayetteville-Springdale and 5.9 percent in Little Rock-North Little Rock. From December 1977 to December 1978, the unemployment rate increased 4.1 percentage points in Fort Smith, compared with an increase of 1.2 percentage points statewide; Fort Smith's increase was the largest among the State's major metropolitan areas.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV Arkansas

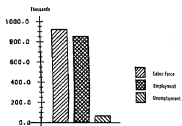


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

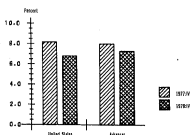


TABLE 4.—Labor Force, United States and Arkansas Through Fourth Quarter, 1978

	United States			Arkansas			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:IV—1978:III	1977:IV—1978:III
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payroll	84,218	87,798	782	711	730	732	4.3	4.9	4.2	2.9
Mining	787	808	5	5	5	5	8.2	13.0	14.2	8.7
Construction	4,632	4,688	40	29	42	40	10.4	7.1	11.3	3.8
Manufacturing	38,986	39,722	214	224	218	215	5.1	2.0	1.7	.5
Transportation, communication, and public utilities	4,761	4,871	38	39	41	42	3.8	5.7	4.4	9.1
Wholesale and retail trade	19,152	20,015	132	154	161	162	5.3	5.9	4.5	5.0
Finance, insurance, and real estate	4,852	4,796	30	30	31	31	4.8	2.7	-2.0	2.7
Services	15,576	16,205	84	88	103	102	4.6	3.8	4.4	3.8
Government	15,434	15,686	124	123	123	125	2.1	3.6	1.4	1.6
Civilian labor force ³	98,551	101,415	938	826	828	824	3.2	.8	3.1	-.2
Total employed	92,842	96,010	883	859	883	895	4.1	-1	3.9	-1.7
Total unemployed	6,149	5,405	95	167	54	70	-9.9	1.6	-6.8	22.0
Percent unemployed	6.2	5.5	9.9	8.2	6.0	7.5				

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

April 1979

Chart 7.—Civilian Labor Force

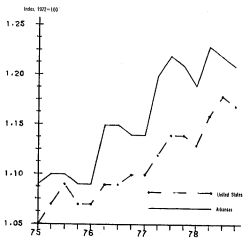


Chart 8.—Civilian Employment

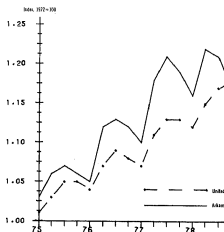


Chart 9.—Unemployment Rate

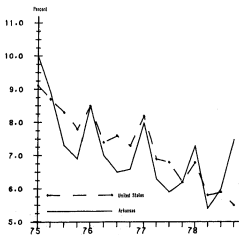
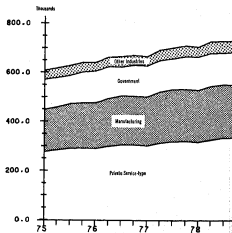


Chart 10.—Industrial Composition of Nonagricultural Employment: Arkansas



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Arkansas Through Fourth Quarter, 1978

	United States			Arkansas			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	418,502	n.a.	4,740	4,888	5,363	n.a.	16.3	13.1	—	—
Commercial and industrial	196,317	n.a.	1,139	1,238	1,299	n.a.	14.2	10.5	—	—
Loans to other banks	148,599	n.a.	1,319	1,382	1,444	n.a.	20.2	9.5	—	—
Real estate	177,935	n.a.	1,639	1,729	1,857	n.a.	19.9	20.8	—	—
Residential	100,736	n.a.	983	768	919	n.a.	21.3	32.5	—	—
Farm	7,721	n.a.	284	285	303	n.a.	10.7	6.4	—	—
Other	69,968	n.a.	943	689	735	n.a.	19.0	14.4	—	—
Farms, excluding real estate	35,784	n.a.	444	373	478	n.a.	6.8	7.1	—	—
Other	68,947	n.a.	220	215	226	n.a.	8.0	3.0	—	—
Total deposits	815,511	n.a.	7,813	7,440	7,774	n.a.	11.9	10.9	—	—
Demand	377,583	n.a.	2,894	2,939	2,862	n.a.	10.2	7.4	—	—
Time and savings	547,878	n.a.	4,349	4,521	4,912	n.a.	12.1	13.8	—	—

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased only 2.8 percent (\$11.1 million), to \$413.7 million (table 6). The national increase was 16.8 percent. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the total valuation of contracts in Arkansas sustained a real decline of about 10 percent versus a real increase of about 4 percent nationally.

Residential housekeeping contracts increased 13.8 percent in valuation, compared with a national increase of 15.6 percent. The number of dwelling units started declined 2.6 percent '147), to 5,454. Nationally, the number of dwelling units started remained almost unchanged at a high level. Additions and alterations to residential housekeeping units, unlike

new construction, increased more than one-third in valuation, well over twice the national increase. Arkansas' 34.3-percent increase ranked third in the Nation, after Nevada's and Mississippi's.

The valuation of nonbuilding contracts declined 34.8 percent in the State versus a 22.2-percent increase nationally. Arkansas' decline was one of the largest in the Nation. Street and highway contracts, a component of nonbuilding, declined 73.3 percent in valuation compared with a national decline of 16.3 percent.

Nonresidential contracts declined 14.1 percent in valuation, one of the largest declines in the Nation. Nationally, nonresidential contracts increased 15.8 percent in valuation.

Chart 14.—Construction Contracts—Total Valuation

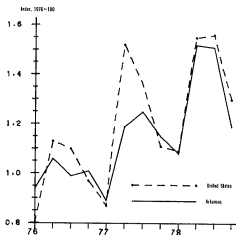


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Arkansas

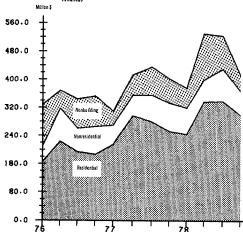
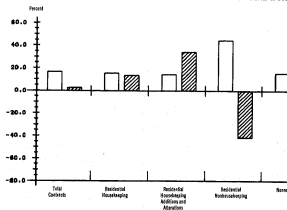


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Arkansas Through Fourth Quarter, 1978

	United States			Arkansas			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:IV	1977:IV	1978:IV	1978:IV	1977:IV— 1978:IV	1977:IV— 1978:IV	1977:IV— 1978:IV	1977:IV— 1978:IV
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	816,802	n.a.	4,741	4,888	5,363	n.a.	16.3	13.1	---	---
Commercial and industrial	196,317	n.a.	1,139	1,218	1,258	n.a.	14.2	10.5	---	---
Loans to individuals	140,999	n.a.	1,319	1,362	1,444	n.a.	28.2	9.5	---	---
Real estate	177,505	n.a.	1,820	1,726	1,557	n.a.	19.9	20.8	---	---
Residential	181,236	n.a.	892	748	919	n.a.	21.3	32.5	---	---
Farm	1,731	n.a.	284	285	363	n.a.	10.7	5.4	---	---
Other	68,568	n.a.	543	568	776	n.a.	19.0	14.4	---	---
Farm, including real estate	25,704	n.a.	444	372	478	n.a.	6.8	7.8	---	---
Other	68,947	n.a.	229	215	276	n.a.	8.0	3.0	---	---
Total deposits	926,511	n.a.	7,012	7,447	7,774	n.a.	11.5	10.9	---	---
Current	277,483	n.a.	2,664	2,926	2,882	n.a.	10.2	7.4	---	---
Time and savings	547,828	n.a.	4,348	4,521	4,892	n.a.	12.3	13.9	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased only 2.8 percent (\$11.1 million), to \$413.7 million (table 6). The national increase was 16.8 percent. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the total valuation of contracts in Arkansas sustained a real decline of about 10 percent versus a real increase of about 4 percent nationally.

Residential housekeeping contracts increased 13.8 percent in valuation, compared with a national increase of 15.6 percent. The number of dwelling units started declined 2.6 percent '147), to 5,454. Nationally, the number of dwelling units started remained almost unchanged at a high level. Additions and alterations to residential housekeeping units, unlike

new construction, increased more than one-third in valuation, well over twice the national increase. Arkansas' 34.3-percent increase ranked third in the Nation, after Nevada's and Mississippi's.

The valuation of nonbuilding contracts declined 34.8 percent in the State versus a 22.2-percent increase nationally. Arkansas' decline was one of the largest in the Nation. Street and highway contracts, a component of nonbuilding, declined 73.3 percent in valuation, compared with a national decline of 16.3 percent.

Nonresidential contracts declined 14.1 percent in valuation, one of the largest declines in the Nation. Nationally, nonresidential contracts increased 15.8 percent in valuation.

Chart 14.—Construction Contracts—Total Valuation

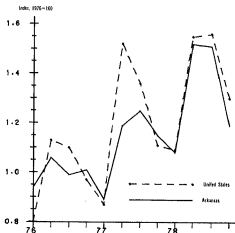


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Arkansas

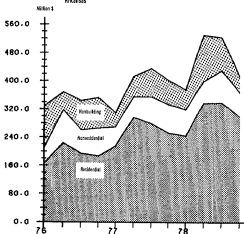


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

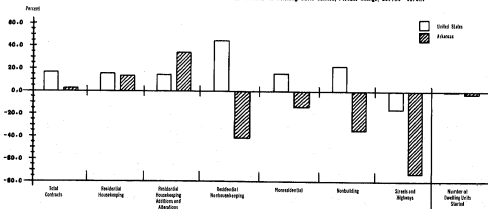


TABLE 6.—Construction Contracts, United States and Arkansas Through Fourth Quarter, 1978¹

	United States			Arkansas			U.S.	State	U.S.	State
	1977-IV	1978-IV	1977-III	1978-III	1978-IV		1977-III— 1978-III		1977-IV— 1978-IV	
	Not seasonally adjusted						Percent change ²			
Total value of contracts	38,913,111	41,458,772	426,707	402,571	525,387	413,670	14.5	26.3	16.8	2.8
Residual of housekeeping, additions and alterations	7,707,987	8,832,353	85,115	66,851	97,593	85,785	16.8	14.7	14.6	31.3
All other contracts										
Number of contracts	82,389	56,828	833	738	859	633	4.4	7.0	-6.3	-14.2
Value (thousands of dollars)	31,205,124	36,827,420	351,593	335,716	427,994	323,885	14.0	21.6	17.4	-3.5
Floor area (thousands of square feet)	881,453	971,596	11,308	18,551	12,844	10,039	10.8	16.5	10.2	7.7
Residential housekeeping										
Number of contracts	14,825	14,192	292	299	267	280	-5.1	-8.6	-4.3	-13.0
Value (thousands of dollars)	445,772	443,875	5,760	5,601	6,507	5,454	1.0	14.1	-6	-2.6
Floor area (thousands of square feet)	14,879,586	17,198,518	191,396	182,400	241,937	207,585	15.3	25.4	15.6	13.8
Residential nonhousekeeping										
Number of contracts	507	595	9	7	3	5	-10.0	-77.8	-4	28.6
Value (thousands of dollars)	338,637	490,279	3,497	3,557	133	2,876	9.4	-80.2	44.8	-41.6
Floor area (thousands of square feet)	8,467	16,590	51	127	7	51	-7	-89.4	24.7	-51.9
Nonresidential										
Number of contracts	30,756	27,055	249	283	232	181	-2.5	-6.8	-12.0	-38.2
Value (thousands of dollars)	9,334,415	10,810,789	75,837	80,424	91,331	69,841	27.6	20.4	15.8	14.1
Floor area (thousands of square feet)	289,253	305,249	3,095	2,927	3,866	2,521	12.2	1.0	8.9	13.9
Nonbuilding										
Number of contracts	16,700	15,176	253	189	338	187	22.4	47.5	-8.1	10.7
Value (thousands of dollars)	6,852,474	8,127,854	68,262	65,349	84,223	45,381	-3	16.5	22.2	34.8
Streets and highways										
Number of contracts	4,586	4,999	154	84	138	47	9.3	-10.4	-17.8	-44.0
Value (thousands of dollars)	2,388,681	3,830,347	46,328	41,369	34,513	11,616	3.0	-25.2	-16.3	-73.3

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Data for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Arkansas are not available.

TABLE 7.—Retail Sales, United States and Arkansas Through Fourth Quarter, 1978

	United States			Arkansas			U.S.	State	U.S.	State
	1977-IV	1978-IV	1977-III	1978-III	1978-IV		1977-III— 1978-III		1977-IV— 1978-IV	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	287,638	328,620	n.a.	n.a.	n.a.	n.a.	19.3	---	12.2	---
Durable goods	62,065	71,573	n.a.	n.a.	n.a.	n.a.	11.8	---	15.3	---
Nondurable goods	134,965	147,447	n.a.	n.a.	n.a.	n.a.	9.6	---	9.2	---

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Arkansas Through Fourth Quarter, 1978

	United States			Arkansas			U.S.	State	U.S.	State
	1977-IV	1978-IV	1977-III	1978-III	1978-IV		1977-III— 1978-III		1977-IV— 1978-IV	
	Not seasonally adjusted						Percent change			
New business incorporations	189,411	n.a.	965	912	860	n.a.	8.2	-10.9	---	---
Total number of business failures	1,844	n.a.	32	32	32	n.a.	-9.5	0	---	---
Current liabilities (thousands of dollars)	484,236	n.a.	1,636	1,065	1,188	n.a.	-44.2	-25.4	---	---
Average liability per failure (thousands of dollars)	268	n.a.	134	89	100	n.a.	-38.4	-25.4	---	---
Business failures by industry										
Mining and manufacturing										
Construction	248	n.a.	1	1	2	n.a.	-10.1	100.0	---	---
Wholesale trade	391	n.a.	2	2	3	n.a.	3.0	50.0	---	---
Retail trade	688	n.a.	2	1	6	n.a.	-27.1	---	---	---
Commercial services	238	n.a.	7	5	5	n.a.	-4.2	-29.6	---	---
			6	2	2	n.a.	-24.0	---	---	---

U.S. Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



CALIFORNIA

Highlights

1977:IV to 1978:IV

- Personal income** —Up 15.5% vs. 12.6% in U.S., to \$209 billion
 —Nonfarm proprietors' income up 22.0%, largest gain in U.S.
 —State and local government payrolls up 0.6%, smallest gain in U.S.
- Consumer prices** —Up 7.8% in Los Angeles-Long Beach, 11.7% in San Diego, and 7.6% in San Francisco vs. 8.9% in U.S.
- Employment** —Up 5.0% vs. 3.9% in U.S., to 10.0 million
- Unemployment** —Down 112,000, to 649,000
 —Rate down 1.3 percentage points, to 6.1% of labor force vs. 5.5% in U.S.
- Construction** —Total valuation of contracts up 1.7% vs. 16.8% in U.S., to \$4.4 billion
 —Number of dwelling-unit starts down 20.4% vs. near stability in U.S., to 44,433
- Retail sales** —Up 11.7% vs. 11.2% in U.S., to almost \$23.5 billion

TABLE 1.—Summary of Economic Indicators, United States and California Through Fourth Quarter, 1978

	United States			California			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:III—1978:II	1977:IV—1978:IV	1977:III—1978:IV	1977:IV—1978:IV
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,583,508	1,782,518	174,215	186,855	201,188	208,818	12.4	15.4	12.8	15.5
Total wages and salaries (millions of dollars)	1,013,216	1,340,886	111,293	115,889	127,347	132,825	12.1	14.3	12.6	13.9
Civilian employment (thousands)	82,442	86,010	9,444	9,531	9,608	10,808	4.1	9.0	3.9	8.0
Unemployment (thousands)	8,149	5,805	825	741	784	846	-9.8	-7.4	-8.8	-14.7
Percent unemployed (unemployed/labor force)	8.2	5.5	8.0	7.4	7.2	8.1	---	---	---	---
Total losses (millions of dollars)	610,502	n.a.	66,127	74,510	81,281	n.a.	15.3	22.9	---	---
Total deposits (millions of dollars)	925,511	n.a.	94,177	101,125	108,688	n.a.	13.5	15.4	---	---
Total valuation of construction contracts (thousands of dollars)	38,913,113	45,489,773	4,456,082	4,358,664	5,462,545	4,432,547	14.5	21.7	16.8	1.7
Dwelling units started (number)	445,772	443,075	64,086	55,823	58,250	44,423	1.8	-8.1	-5	-20.4
Total retail sales (millions of dollars)	167,000	228,020	28,464	21,013	21,267	22,464	18.3	10.3	13.2	13.7
New business incorporations (number)	109,411	n.a.	12,268	12,795	12,437	n.a.	8.2	1.8	---	---
Business failures (number)	1,884	n.a.	284	248	295	n.a.	-8.5	3.9	---	---
Consumer Price Index (1967=100):										
U.S. city average	105.3	201.8	---	---	---	---	7.9	---	8.9	---
Los Angeles—Long Beach	---	---	180.9	183.0	195.2	197.2	---	7.9	---	7.8
San Diego	---	---	184.1	186.6	203.5	206.6	---	10.5	---	13.7
San Francisco—Oakland	---	---	184.0	187.2	204.9	201.5	---	10.9	---	7.6

N.A.: Data not available.

Source: See tables 2 through 8.

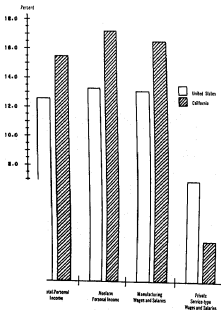
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 15.5 percent in California from 1977:IV to 1978:IV (table 2). The gain exceeded the Nation's by almost 3 percentage points and ranked ninth among all State gains. In 1978:IV, California's personal income totaled \$209 billion, up \$28 billion since 1977:IV. During this timespan, consumer prices increased 7.6 percent in the San Francisco-Oakland metropolitan area, 7.8 percent in Los Angeles-Long Beach, and 11.7 percent in San Diego (table 3). If the average of the price increases in the three areas (9.0 percent) is used as an indicator for price increases throughout the State, real total personal income in California increased 6.5 percent from year to year versus 3.7 percent nationally.

Since the last national business cycle peak in 1973:IV, California's economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 19 percent more than nationally, ranking California 13th among all States.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]



Nonfarm proprietors' income increased 22.0 percent from 1977:IV to 1978:IV, to \$13.0 billion. Dividends, interest, and rental income increased 20.6 percent, to \$29.3 billion. Both rates of increase were higher than in any other State. It can be assumed that in 1978:IV, the property tax reduction due to Proposition 13 was not passed on to consumers in the form of rent and price reductions, thus resulting in sharp increases in both proprietors' and rental income.

Wage and salary disbursements (payrolls) in California increased 13.9 percent from year to year, as nearly all major private industries registered payroll increases that led national counterparts. Private service-type industry payrolls increased 16.5 percent, to \$64.4 billion; the gain led the Nation's 13.1-percent gain and ranked seventh among all State gains. The four major private service-type industry components registered payroll gains of from 15.7 to 16.9 percent. Durable manufacturing payrolls increased 19.2 percent, 4 percentage points above the Nation's increase, to \$21.3 billion. Despite a strike by paper industry workers that lasted all of 1978:IV, nondurable manufacturing payrolls increased 12.8 percent, leading the Nation's increase of 10.0 percent. Construction payrolls increased 21.9 percent, compared with 20.1 percent nationally. Federal Government payrolls increased 7.4 percent, marginally above the Nation's 7.1-percent average increase, to \$9.0 billion.

State and local government payrolls, reflecting the effect of wage freezes and layoffs stemming from Proposition 13, increased 0.6 percent, the smallest gain registered among all States. State and local government payrolls in the remaining 49 States and the District of Columbia increased 7.7 percent over the same timespan.

With California's economy expanding, State unemployment insurance benefits declined 21.9 percent, to \$980 million.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

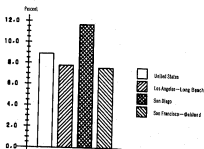


Chart 3.—Total Personal Income
[Seasonally adjusted]

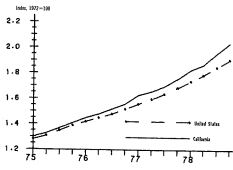


Chart 4.—Industrial Composition of Wages and Salaries: California
[Seasonally adjusted]

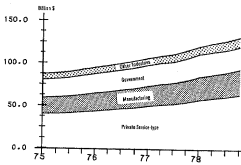


TABLE 2.—Personal Income, United States and California Through Fourth Quarter, 1978

	United States				California		U.S.	State	U.S.	State		
	1977-IV		1978-IV		1977-IV						1978-IV	
	1977-IV	1978-IV	1977-IV	1978-IV	1977-IV	1978-IV					1977-IV	1978-IV
Billions of dollars, seasonally adjusted at annual rates ¹												
Percent change ²												
Total personal income	1,583,588	1,782,519	174,325	180,855	201,188	238,618	124	15.4	12.6	35.5		
Farm personal income	31,224	29,451	-3,406	4,091	4,510	6,112	47.9	44.1	25.3	49.4		
Nonfarm personal income	1,552,284	1,743,068	179,977	175,764	196,778	207,705	11.9	14.8	12.3	14.7		
Total personal income	1,583,588	1,782,519	174,325	180,855	201,188	238,618	124	15.4	12.6	35.5		
Wage and salary disbursements	1,313,216	1,446,586	111,383	135,889	177,347	187,025	121	14.3	12.6	13.9		
Other labor income	96,016	131,719	9,551	10,051	16,489	19,553	17.9	20.1	16.4	38.3		
Proprietors' income	109,563	125,995	17,332	13,158	15,490	17,309	29.5	27.2	18.3	33.8		
Farm	23,636	31,844	1,818	2,453	3,151	4,281	66.6	72.3	20.3	71.8		
Nonfarm	82,317	94,951	10,513	10,688	12,340	13,048	12.8	19.3	15.3	27.3		
Dividends, interest, and rent	214,992	242,442	23,802	24,325	28,572	29,248	12.3	20.0	12.8	28.6		
Transfer payments	214,944	233,750	24,273	24,761	26,448	26,796	8.8	9.0	8.2	8.5		
State unemployment insurance benefits	11,120	7,753	-1,267	1,354	1,057	969	-26.0	-17.9	-30.3	-21.9		
Less: personal contributions	62,212	71,619	7,055	7,382	6,357	6,948	14.8	18.5	15.1	16.2		
Plus: residence adjustment	-401	-473	39	20	9	9						
Wage and salary disbursements	1,013,216	1,146,586	111,383	135,889	177,347	187,025	121	14.3	12.6	13.9		
Farm	7,175	7,939	1,445	1,489	1,578	1,578	8.5	19.3	10.6	12.7		
Nonfarm	1,006,040	1,138,757	109,547	114,406	125,751	126,245	12.1	14.4	17.6	13.0		
Mining	14,048	18,813	4,865	685	846	865	26.5	22.6	23.9	26.3		
Construction	58,648	66,858	6,019	6,324	7,474	7,713	19.3	26.2	20.1	21.6		
Manufacturing	276,132	312,870	24,756	25,467	28,438	29,882	12.1	14.9	13.3	17.7		
Durable goods	178,215	203,053	17,202	17,854	20,084	21,273	13.7	16.8	15.2	19.2		
Nondurable goods	88,896	109,917	7,553	7,643	8,351	8,619	9.4	10.5	10.8	12.8		
Private service-type	455,704	515,348	52,713	56,391	62,611	64,415	12.8	17.6	13.1	19.5		
Transportation, communication, and public utilities	76,584	85,254	8,068	8,951	9,113	9,448	10.4	12.8	11.3	15.7		
Wholesale and retail trade	170,888	195,075	19,288	21,046	22,569	23,519	13.6	17.0	14.1	16.4		
Finance, insurance, and real estate	54,452	61,651	4,211	4,930	7,535	7,748	14.1	22.3	13.2	16.6		
Services	153,846	172,285	19,147	24,257	22,795	23,678	12.6	18.9	12.7	16.9		
Federal	201,252	218,583	25,454	25,890	26,126	26,605	7.4	4.3	6.9	7.8		
State and local	66,176	71,033	7,935	8,421	8,420	8,640	7.3	5.1	7.1	7.4		
State and local	125,679	142,580	17,119	17,449	17,706	17,545	7.5	3.4	6.8	6.6		
Other	3,218	3,685	716	734	857	874	18.7	19.8	14.6	16.3		

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and California Through Fourth Quarter, 1978¹

	Quarterly Data								Annual Data			
	United States				California				U.S.		State	
	1977-IV		1978-IV		1977-III		1978-III		1977-III—1978-III		1977-IV—1978-IV	
	Index, 1967=100, not seasonally adjusted								Percent change			
U.S. city average	195.3	201.8	---	---	---	---	---	---	7.9	---	8.9	---
Los Angeles—Long Beach	---	---	189.9	183.0	195.3	---	197.2	---	7.9	---	7.8	---
San Diego	---	---	194.1	186.6	203.5	---	208.5	---	18.5	---	11.7	---
San Francisco—Oakland	---	---	184.6	178.3	184.6	---	184.6	---	---	---	---	---

1. Consumer Price indexes are shown for the most relevant SMSAs for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and rounded data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, California's civilian labor force increased 3.5 percent, compared with a 3.1-percent advance nationally (table 4). Total employment increased from 9.5 million to 10.0 million, a 5.0-percent advance that led the national average advance by more than 1 percentage point.

With employment increasing by 477,000 and the labor force increasing by only 365,000, the number of unemployed declined by 112,000. The unemployment rate declined 1.3 percentage points, to 6.1 percent of the labor force. While in 1977:IV, California's unemployment rate was 1.2

percentage points above the Nation's 6.2-percent rate, in 1978:IV, it was only 0.6 percentage point above the Nation's 5.5-percent rate.

Across the State, unemployment rates varied considerably. According to preliminary data for December 1978, unemployment rates in California's major metropolitan areas ranged from 4.1 percent in Anaheim-Santa Ana-Garden Grove to 11.2 percent in Stockton; the preliminary State rate was 6.3 percent. The two largest areas, Los Angeles-Long Beach and San Francisco-Oakland, both registered unemployment rates of 5.5 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV California

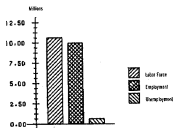


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

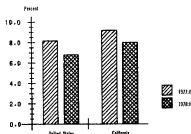


TABLE 4.—Labor Force, United States and California Through Fourth Quarter, 1978

	United States						California		U.S.	State	U.S.	State
									1977:III—		1977:IV—	
	1977:IV	1978:IV	1977:III	1977:II	1978:II	1978:IV			1978:III		1978:IV	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²					
Employees on nonagricultural payrolls	84,210	87,704	8,568	8,704	9,088	9,760	4.3	5.8	4.2	6.4		
Mining	787	819	38	38	36	36	8.2	1.7	14.2	2.0		
Construction	4,082	4,480	378	390	427	428	10.4	13.5	11.3	12.7		
Manufacturing	19,986	20,722	1,757	1,722	1,843	1,848	3.1	4.9	3.7	7.4		
Transportation, communications, and public utilities	4,761	4,971	404	481	504	538	3.8	4.2	4.4	5.7		
Wholesale and retail trade	15,152	20,015	1,909	2,037	2,143	2,213	5.3	7.7	4.5	8.7		
Finance, insurance, and real estate	4,852	4,756	505	507	530	536	4.8	5.1	-2.0	5.8		
Services	15,534	16,215	1,700	1,774	1,889	1,929	4.6	7.3	4.4	8.2		
Government	15,424	15,654	1,682	1,769	1,718	1,771	2.1	2.0	1.4	.3		
Civilian labor force ³	94,591	101,615	10,259	10,292	10,680	10,867	3.2	4.0	3.1	3.5		
Total employed	92,442	96,910	9,444	9,521	9,816	10,008	4.1	5.8	3.9	5.0		
Total unemployed	6,149	5,695	835	761	754	649	-9.8	-7.4	-8.8	-14.7		
Percent unemployed	6.2	5.5	8.0	7.4	7.2	5.1	-	-	-	-		

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

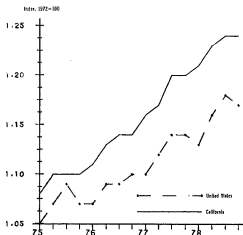


Chart 8.—Civilian Employment

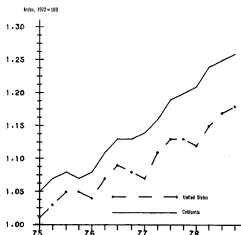


Chart 9.—Unemployment Rate

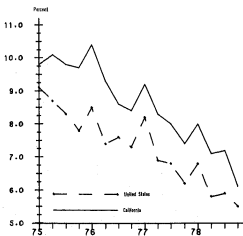
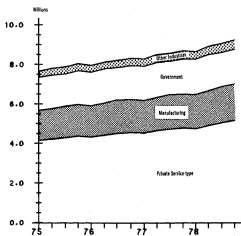


Chart 10.—Industrial Composition of Nonagricultural Employment: California



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and California Through Fourth Quarter, 1978

	United States			California			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:II— 1978:II		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	\$10,902	n.a.	46,127	70,100	81,281	n.a.	16.3	22.9	---	---
Commercial and industrial	196,317	n.a.	30,523	21,672	23,832	n.a.	14.2	16.1	---	---
Loans to individuals	140,589	n.a.	13,581	14,848	17,780	n.a.	78.7	20.8	---	---
Real estate	177,935	n.a.	22,245	23,688	28,454	n.a.	16.3	27.5	---	---
Residential	191,236	n.a.	14,901	15,792	18,015	n.a.	21.3	24.7	---	---
Farms	7,731	n.a.	230	246	229	n.a.	10.7	38.8	---	---
Other	68,568	n.a.	7,418	8,151	6,520	n.a.	19.0	33.7	---	---
Farms, excluding real estate	25,704	n.a.	2,040	2,030	2,394	n.a.	6.8	12.5	---	---
Other	69,847	n.a.	7,724	8,482	8,938	n.a.	8.0	15.6	---	---
Total deposits	925,511	n.a.	94,177	101,125	106,668	n.a.	11.5	25.4	---	---
Demand	377,680	n.a.	34,880	37,551	38,554	n.a.	16.2	13.4	---	---
Time and savings	547,830	n.a.	59,196	63,574	78,114	n.a.	12.3	17.7	---	---

1. Data may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

The total valuation of contracts in California rose only 1.7 percent from 1977:IV to 1978:IV, lagging the Nation's 16.8-percent average gain, to \$4.4 billion (table 6). National construction costs rose about 13 percent during the same timespan; if this rise reflects the advance throughout California, the real valuation of contracts declined about 11 percent in the State versus a national rise of about 4 percent.

Nonresidential contracts declined 6.8 percent in valuation versus a national gain of 15.8 percent. The decline totaled \$73.5 million, the largest dollar decline among all categories of construction in the State.

The valuation of nonbuilding contracts declined almost 10 percent, comparing unfavorably with a 22.2-percent gain nationally, to \$342 million. Streets and highways, a major component of nonbuilding contracts, declined 7.8 percent in valuation, less than one-half of the Nation's decline.

The valuation of residential housekeeping contracts declined 1 percent, compared with the Nation's 15.6-percent gain, to \$2.0 billion. California was one of only three States to register a decline. The number of dwelling units started declined by one-fifth, to 44,400 units. Nationally, in contrast, the number of dwelling units started was almost unchanged at a high level.

Additions and alterations to residential housekeeping units was the one major construction category in which California registered a gain in valuation. The valuation of these contracts rose 30.3 percent, over twice the national average gain, to \$1.0 billion. The percent gain was one of the largest in the Nation.

Chart 14.—Construction Contracts—Total Valuation

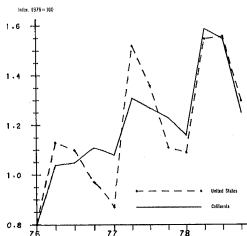


Chart 15.—Construction Contracts—Valuation of Contracts by Type: California

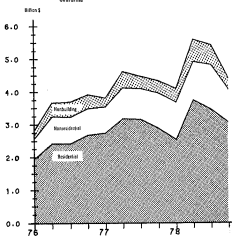


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

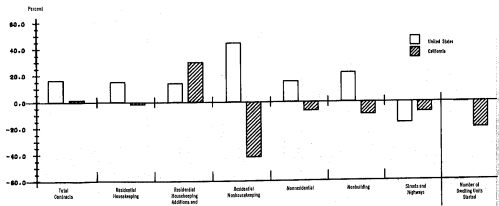


TABLE 6.—Construction Contracts, United States and California Through Fourth Quarter, 1978¹

	United States			California			U.S.	State	U.S.	State
	1977-IV			1978-IV						
	1977-IV	1978-IV	1977-III	1978-IV	1978-III	1978-IV	1977-III-1978-III	1977-IV-1978-IV	1977-IV-1978-IV	1978-IV
Not seasonally adjusted							Percent change ²			
Total value of contracts	38,913,311	41,450,773	4,480,693	4,289,686	5,462,545	4,431,647	14.5	21.7	38.8	1.7
Residential housing ² , additions and alterations (value of construction contracts)	7,707,987	8,832,353	780,687	786,743	1,696,181	1,624,925	16.8	40.4	34.6	32.3
Nonresidential										
Number of contracts	62,780	56,528	5,416	5,808	6,292	5,123	4.4	18.8	-9.3	1.1
Value of contracts (thousands of dollars)	31,265,124	36,627,420	3,706,406	3,572,823	4,346,264	3,464,771	14.0	17.7	17.4	-4.6
Average value per contract (thousands of dollars)	881,453	971,976	117,304	108,811	126,846	99,000	10.8	8.5	10.2	-8.3
Number of contracts	16,825	16,392	1,225	1,077	1,069	821	-5.1	-12.7	-4.3	-23.8
Value of contracts (thousands of dollars)	445,372	443,075	64,086	55,823	56,258	44,433	1.0	-9.1	-5.6	-20.4
Average value per contract (thousands of dollars)	14,879,586	17,186,518	2,358,079	2,363,081	2,343,324	2,828,475	15.3	-7	15.6	-1.7
Federal government	578,733	641,796	83,959	70,823	77,439	64,427	10.3	-4.1	10.7	-9.0
Number of contracts	500	505	55	55	57	41	-10.0	-5.5	-4	-25.5
Value of contracts (thousands of dollars)	338,637	436,279	34,642	45,676	32,694	26,200	9.4	-3.0	44.8	-41.9
Average value per contract (thousands of dollars)	8,467	16,560	854	1,371	1,004	518	-7	37.5	24.7	-57.8
Number of contracts	33,756	37,085	2,859	2,273	3,504	2,966	-2.5	22.6	-12.0	7.0
Value of contracts (thousands of dollars)	9,334,415	10,844,189	934,091	1,085,353	1,371,746	1,611,850	27.6	46.8	15.8	-6.6
Average value per contract (thousands of dollars)	293,253	320,280	35,189	36,875	48,313	34,636	12.2	37.3	8.9	-5.6
Number of contracts	16,700	15,376	1,277	1,163	1,767	1,295	22.4	38.4	-9.1	11.3
Value of contracts (thousands of dollars)	6,082,476	8,123,884	381,634	379,143	618,688	342,993	-1	62.1	22.2	-9.8
Average value per contract (thousands of dollars)	4,696	4,080	590	338	606	301	9.3	21.2	-17.8	3.8
Number of contracts	2,368,681	1,931,341	316,231	91,485	126,845	84,381	3.0	9.1	-16.3	-17.8

1. Contracts included in total value of contracts within 60 days.
2. Percent change for this area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Data for this area only may not add to totals because of rounding.

Retail Sales

Retail sales in California totaled almost \$23.5 billion in 1978:IV, up 11.7 percent (\$2.5 billion) since 1977:IV, compared with an 11.2-percent national increase (table 7). In 1978:IV, nondurable goods accounted for over \$15.7 billion, and durable goods accounted for over \$7.7 billions.

TABLE 7.—Retail Sales, United States and California Through Fourth Quarter, 1978

California Through Fourth Quarter, 1978										
Retail sales Durable goods Nondurable goods	United States			California			U.S.	State	U.S.	State
	1977:IV	1978:III	1978:IV	1977:III	1978:III	1978:IV	1977:III-1978:III	1977:IV-1978:IV	1977:III-1978:III	1977:IV-1978:IV
	Millions of dollars, not seasonally adjusted						Percent change			
	207,830	235,020	39,464	21,603	23,307	23,464	10.3	10.3	11.2	11.7
	62,065	71,573	n.a.	n.a.	7,205	7,734	11.8	---	15.3	---
	134,965	163,447	n.a.	n.a.	14,199	15,730	9.6	---	9.2	---
* = Data not available										

n.a. Data not available.
Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and California Through Fourth Quarter, 1978

	United States						California			U.S.	State	U.S.	State
	1977-IV						1978-IV						
	1977-IV	1978-IV	1977-III	1978-IV	1978-III	1978-IV	1977-III - 1978-III			1977-IV - 1978-IV			
	Not seasonally adjusted							Percent change					
New business incorporations	189,411	n.a.	12,338	12,795	12,437	n.a.	5.2	1.0	---	---			
Total number of business failures	1,644	n.a.	284	248	295	n.a.	-9.5	3.9	---	---			
Current liabilities (thousands of dollars)	484,796	n.a.	83,479	82,811	87,687	n.a.	-44.2	5.0	---	---			
Average liability per failure (thousands of dollars)	288	n.a.	294	334	287	n.a.	-38.4	1.0	---	---			
Business failures by industry													
Mining and manufacturing	248	n.a.	62	53	54	n.a.	-16.1	-12.9	---	---			
Construction	319	n.a.	39	34	33	n.a.	1.0	30.8	---	---			
Wholesale trade	191	n.a.	30	31	38	n.a.	-27.1	-32.3	---	---			
Retail trade	588	n.a.	132	89	130	n.a.	-4.2	35.3	---	---			
Commercial services	238	n.a.	41	41	40	n.a.	-24.0	-2.4	---	---			

n.a. Data not available.
Source: Dun & Bradstreet, Inc.

n.a. Data not available.
Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

COLORADO

Highlights

1977:IV to 1978:IV

- Personal income** —Up 12.2% vs. 12.6% in U.S., to \$22.3 billion
 —Farm personal income down 12.5% vs. 26.3% increase in U.S.
 —Payrolls up 14.1% in services vs. 12.7% in U.S.
- Consumer prices** —Denver-Boulder index up to 212.9 in 1978:IV (1967=100)
- Employment** —Up 6.1% vs. 3.9% in U.S., to 1.3 million
- Unemployment** —Down 7,000, to 65,000
 —Rate down to 4.9% of labor force vs. 5.5% U.S. rate
- Construction** —Total valuation of contracts up 1.3% vs. 16.8% in U.S., to \$698.9 million
 —Valuation of nonbuilding contracts down 44.2% vs. 22.2% increase in U.S.
 —Number of dwelling-unit starts down 7.0% vs. near stability in U.S., to 8,272

TABLE 1.—Summary of Economic Indicators, United States and Colorado Through Fourth Quarter, 1978

	United States					Colorado			U.S.	State	U.S.	
	1977:IV		1978:IV		1977:IV	1978:II	1978:IV	1977:II- 1978:II		1977:IV- 1978:IV		
	All indicators, except income, not seasonally adjusted										Percent change	
Total personal income (millions of dollars)	1,583,908	1,782,819	18,908	18,878	21,894	22,310	12.4	14.7	12.4			
Total wages and salaries (millions of dollars)	1,813,216	1,148,896	12,477	13,187	14,449	14,803	12.1	15.8	12.5			
Civilian employment (thousands)	92,442	96,810	1,180	1,184	1,244	1,294	4.1	4.5	3.9			
Unemployment (thousands)	4,140	5,085	75	72	89	95	-8.8	-7.9	-8.8			
Percent unemployed (unemployment/labor force)	5.3	5.5	5.9	5.7	5.3	4.9						
Total loan (millions of dollars)	618,582	n.a.	8,129	8,816	7,500	n.a.	16.3	18.3				
Total deposits (millions of dollars)	925,811	n.a.	9,075	9,835	10,526	n.a.	11.5	16.0				
Total valuation of construction contracts (thousands of dollars)	38,813,131	45,486,773	630,331	696,953	882,812	896,931	14.5	48.1	18.8			
Dwelling units started (number)	445,172	443,875	8,818	8,882	11,526	8,272	1.8	16.2	-6			
Total retail sales (millions of dollars)	197,630	219,820	n.a.	n.a.	n.a.	n.a.	18.3		13.2			
New business incorporations (number)	109,411	n.a.	1,828	1,846	2,119	n.a.	8.2	9.9				
Business failures (number)	1,684	n.a.	14	7	11	n.a.	-8.5	-21.4				
Consumer Price Index (1967=100):												
U.S. city average	185.3	201.8					7.9		8.9			
Denver-Boulder					205.5	212.9						

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

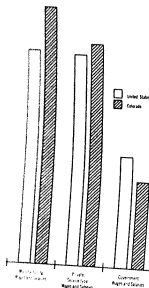
Personal Income

State and nationally adjusted at annual rates) increased 12.4 percent from 1977:IV to 1978:IV, compared with 12.6 percent nationally. In 1978:IV, the State's personal income totaled \$14.4 billion, up from \$13.7 billion in 1977:IV. The Consumer Price Index for Denver Boulder was 212.9 in 1978:IV, up from 205.5 in

1977:IV. Personal income, the smallest in the Rocky Mountain West, had been larger had it not been for a 12.5 percent decline in the State, compared with a 12.6 percent increase in the West. Colorado's decline was the eighth largest in the West, with personal income increased 12.8 percent in 1978:IV, more than nationally. Since the national peak in 1973:IV, Colorado's nonfarm personal income lagged behind the Nation's, the increase in the State was 14 percent more than nationally, ranking 12th in the States.

Chart 1—Personal Income, Percent Change, 1977:IV—1978:IV

(Nationally adjusted)



Wage and salary disbursements (payrolls) in the State increased 13.0 percent from 1977:IV to 1978:IV, compared with 12.6 percent nationally. In 1978:IV, they totaled \$14.8 billion, up \$1.7 billion since 1977:IV.

Within Colorado's private service-type industry group, payrolls increased more slowly than nationally only in wholesale and retail trade—11.9 percent versus 14.1 percent. Payrolls in transportation-communication-public utilities increased 16.6 percent in the State versus 11.3 percent nationally; Colorado's increase was the fourth largest in the Nation, after increases in Nevada, Washington, and South Carolina. Payrolls in finance-insurance-real estate increased 15.2 percent versus 13.2 percent nationally, and services payrolls increased 14.1 percent versus 12.7 percent.

Payrolls in the State's nondurable goods manufacturing industry increased 19.2 percent, almost twice the Nation's increase. Colorado's increase was the third largest in the Nation, after increases in Utah and North Dakota. Durable manufacturing payrolls increased 14.3 percent in the State, almost 1 percentage point less than nationally.

Construction payrolls increased 20.3 percent from year to year, or slightly more than nationally. In contrast, mining payrolls, which increased 26.9 percent in the State, lagged the national increase by 7.0 percentage points.

State and local government payrolls increased 8.0 percent in Colorado, compared with a 6.8-percent national increase. In contrast, Federal Government payrolls increased only 1.8 percent from year to year; 47 States registered larger increases. The national increase in Federal Government payrolls was 7.1 percent.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 39.2 percent in Colorado versus 30.3 percent nationally.

Chart 2—Consumer Price Index, Percent Change, 1977:IV—1978:IV

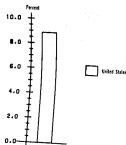


Chart 3.—Total Personal Income
[Seasonally adjusted]

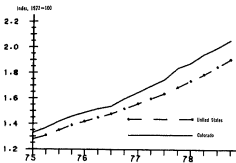


Chart 4.—Industrial Composition of Wages and Salaries: Colorado
[Seasonally adjusted]

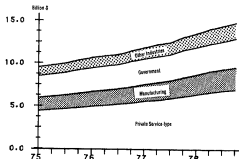


TABLE 2.—Personal Income, United States and Colorado Through Fourth Quarter, 1978

	United States			Colorado			Percent change ²			
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	U.S.	State	U.S.	State
	Millions of dollars, seasonally adjusted at annual rates ¹						1977:III—1978:IV			
Total personal income	1,583,506	1,782,519	18,968	19,878	21,684	22,316	12.4	14.7	12.6	12.2
Factorial personal income	31,224	36,451	235	430	303	368	47.8	26.8	26.3	-12.5
Nonfactorial personal income	1,552,284	1,746,068	18,732	19,448	21,381	21,948	11.9	14.6	12.3	12.8
Total personal income	1,583,506	1,782,519	18,968	19,878	21,684	22,316	12.4	14.7	12.6	12.2
Wage and salary disbursements	1,012,216	1,140,696	12,477	13,387	14,445	14,613	12.1	15.8	12.6	13.0
Other labor income	96,016	117,719	997	1,298	1,224	1,251	17.0	22.7	16.4	18.2
Proprietors' income	105,653	121,935	1,234	1,437	1,447	1,559	21.5	18.2	18.9	7.9
Farm	23,636	23,044	129	308	186	245	56.6	44.2	31.3	-20.1
Nonfarm	82,017	98,891	1,105	1,129	1,261	1,314	12.8	15.1	15.7	15.6
Dividends, interest, and rent	214,992	242,442	2,639	2,703	2,984	3,053	12.3	12.3	12.8	12.9
State unemployment insurance benefits	11,720	233,756	2,278	2,319	2,482	2,592	8.8	8.1	8.2	8.3
Less: personal contributions	62,212	7,753	102	95	59	37	-24.0	-42.6	-30.3	-39.2
Plus: residence adjustment	-401	-413	703	731	845	852	14.8	28.4	15.1	15.5
Wage and salary disbursements	1,813,216	1,140,696	12,477	13,187	14,469	14,613	12.1	15.8	12.6	13.0
Farm	7,176	7,593	104	109	114	119	8.5	10.2	10.6	9.4
Nonfarm	1,806,040	1,133,103	12,373	12,998	14,355	14,694	12.1	15.9	12.6	13.0
Mining	14,018	18,613	445	470	404	504	28.5	35.8	30.9	28.5
Manufacturing	55,048	68,886	880	996	1,003	1,090	19.1	33.2	28.1	29.3
Nonmanufacturing	276,132	332,070	2,122	2,250	2,538	2,611	12.1	19.6	13.3	16.0
Nonmanufacturing goods	178,218	263,852	1,357	1,451	1,621	1,658	13.7	19.5	13.2	14.3
Private service-type	99,899	169,117	765	800	916	953	9.4	19.8	10.0	19.7
Transportation, communication, and public utilities	455,754	515,348	5,816	6,138	6,895	6,985	12.8	15.9	13.1	13.8
Wholesale and retail trade	78,584	85,304	1,214	1,263	1,189	1,236	10.4	17.2	11.3	16.8
Finance, insurance, and real estate	170,888	195,015	2,325	2,400	2,648	2,845	13.6	13.9	14.1	11.9
Services	54,452	61,603	704	727	823	838	14.1	17.0	15.2	16.2
Government	153,840	173,396	1,874	1,919	2,195	2,238	12.6	17.1	12.7	14.1
Federal	201,762	215,083	3,015	3,191	3,293	3,362	7.4	6.2	6.9	5.4
State and local	68,178	73,663	1,288	1,348	1,334	1,377	7.3	3.7	7.1	1.8
Other	133,078	142,680	1,729	1,843	1,880	1,998	7.5	8.1	6.8	8.8
	3,216	3,685	35	36	42	42	18.7	29.5	14.6	15.1

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Colorado Through Fourth Quarter, 1978¹

	United States			Colorado			Percent change			
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	U.S.	State	U.S.	State
	Index, 1967=100, not seasonally adjusted						1977:III—1978:IV			
U.S. city average ²	185.3	201.8	---	---	---	---	7.9	---	8.9	---
Consumer—Retailer	---	---	---	---	205.5	212.9	---	---	---	---

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Colorado's civilian labor force increased 5.2 percent versus 3.1 percent nationally (table 4). Colorado's increase was the sixth largest in the Nation. Total employment in the State increased 6.1 percent versus 3.9 percent nationally, to 1.3 million. Colorado's increase was the seventh largest in the Nation.

With employment increasing by 72,000 and the labor force increasing by 65,000, the number of unemployed declined by 7,000, to 65,000. Colorado's unemployment rate declined 0.8 percentage point, to 4.9 percent of the labor force. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV Colorado

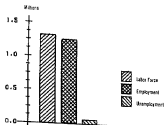


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

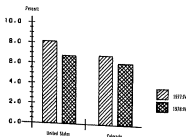


TABLE 4.—Labor Force, United States and Colorado Through Fourth Quarter, 1978

	United States			Colorado			U.S.		State		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III–1978:III		1977:IV–1978:IV		
	Thousands of persons, not seasonally adjusted ¹						Percent change ²				
Employees on nonagricultural payrolls	44,210	47,368	1,871	1,067	1,131	1,140	4.3	5.6	4.2	4.7	
Mining	782	829	25	25	27	27	8.2	8.8	14.2	7.1	
Manufacturing	4,632	4,468	48	68	75	73	10.4	10.5	11.3	6.8	
Transportation, communication, and public utilities	19,546	20,722	155	158	165	169	3.1	6.1	3.7	6.7	
Retail and trade	4,761	4,991	64	64	70	71	3.8	5.6	4.4	10.0	
Finance, insurance, and real estate	11,152	12,015	272	273	283	285	5.2	4.0	4.5	3.3	
Government	4,852	4,756	63	64	67	67	4.8	6.2	7.4	4.4	
Unemployed	15,535	16,213	214	213	229	228	4.6	2.2	1.8	2.3	
Civilian labor force	59,550	63,615	2,085	1,280	1,361	1,368	3.2	3.9	3.1	5.2	
of employed	52,442	56,010	1,913	1,014	1,243	1,256	4.1	6.5	3.9	6.1	
of unemployed	6,145	5,605	75	72	85	85	-3.8	-7.5	-8.8	-10.0	
Percent unemployed	6.2	5.5	3.9	5.7	5.2	4.9	-0.7	-0.8	-0.8	-0.8	

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This is a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

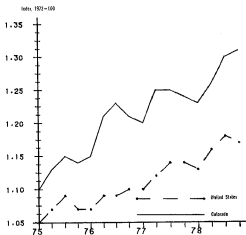


Chart 8.—Civilian Employment

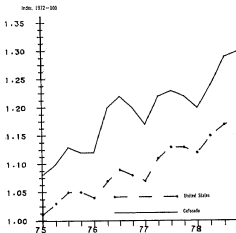


Chart 9.—Unemployment Rate

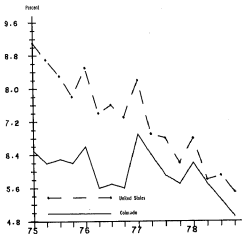
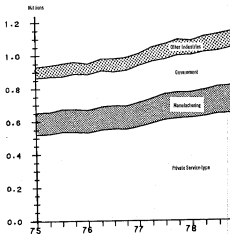


Chart 10.—Industrial Composition of Nonagricultural Employment: Colorado



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Colorado Through Fourth Quarter, 1978

	United States			Colorado			U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III	1978:IV
	Millions of dollars, not seasonally adjusted ¹						Percent	
Total loans	630,982	n.a.	6,329	6,610	7,550	n.a.	16.3	19.3
Commercial and industrial	186,312	n.a.	2,805	2,085	2,357	n.a.	14.2	17.5
Real estate	140,099	n.a.	1,747	1,858	2,094	n.a.	25.2	19.8
Auto loans	137,325	n.a.	1,481	1,350	1,486	n.a.	19.9	25.3
Other	161,228	n.a.	320	795	902	n.a.	21.3	23.9
Loans excluding real estate	7,731	n.a.	46	40	39	n.a.	10.7	14.9
Loans including real estate	62,968	n.a.	708	755	815	n.a.	19.0	20.5
Other	25,704	n.a.	715	690	737	n.a.	6.6	3.1
Total deposits	825,911	n.a.	380	432	505	n.a.	8.0	33.0
Demand	377,683	n.a.	9,615	9,625	10,506	n.a.	11.5	16.0
Time and savings	547,828	n.a.	3,888	4,344	4,577	n.a.	10.2	17.6
			3,167	5,292	5,354	n.a.	12.3	14.8

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased only 1.3 percent (\$8.9 million), to \$698.9 million (table 6). Forty-one States registered larger increases. The national increase was 16.8 percent. In 1977:IV, a \$110 million contract for the construction of an electric generating plant in El Paso County raised the State's total valuation of contracts to an unusually high level, thereby distorting the subsequent year-to-year change. If the plant is excluded, the total valuation of contracts in Colorado would have increased 20.5 percent.

National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the total valuation of contracts in Colorado (including the electric generating plant) sustained a real decline of about 12 percent versus a real increase of about 4 percent nationally.

Reflecting the electric generating plant, the valuation of nonbuilding contracts declined 44.2 percent versus a 22.2-percent national increase.

Colorado's decline was one of the largest in the Nation. The street and highway component of nonbuilding contracts more than doubled in valuation versus a 16.3-percent national decline. Colorado's increase was one of the largest in the Nation.

Residential housekeeping contracts increased 9.7 percent in valuation, compared with a national increase of 15.6 percent. The number of dwelling units started declining 7.0 percent (620), to 8,272. Nationally, the number of dwelling units started remained almost unchanged at a high level. Additions and alterations to residential housekeeping units increased 29.7 percent in valuation versus 14.6 percent nationally.

Nonresidential contracts increased 40.2 percent in valuation versus 15.8 percent nationally. Colorado's increase was one of the largest in the Nation.

Chart 14.—Construction Contracts—Total Valuation

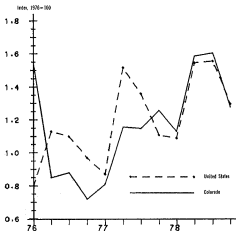


Chart 15.—Construction Contracts—Valuation of Contracts by Type, Colorado

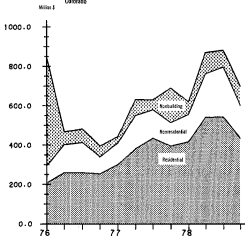
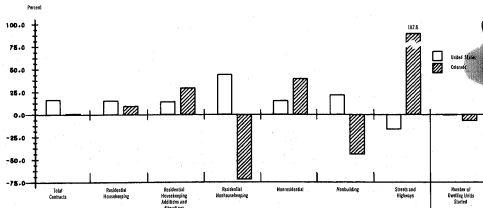
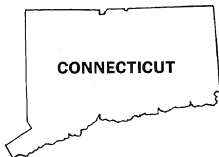


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV





Highlights

1977:IV to 1978:IV

- Personal income** —Up 10.5%, 2.1 percentage points less than in U.S.
—Increases in most major private industries less than in U.S.
- Consumer prices** —Up 7.5% in Boston and 6.2% in the New York City-Northeast New Jersey area vs. 8.9% in U.S.
- Employment** —Up 3.1% vs. 3.9% in U.S., to almost 1.5 million
- Unemployment** —Down 10,000, to 72,000
—Rate down to 4.7% of labor force vs. 5.5% U.S. rate
- Construction** —Total valuation of contracts up 16.8%, same as in U.S., to \$572 million
—Large gains in valuation of nonresidential and nonbuilding contracts
—Number of dwelling-unit starts down 10.9% vs. little change in U.S., to 3,344

TABLE 1.—Summary of Economic Indicators, United States and Connecticut Through Fourth Quarter, 1978

	United States			Connecticut			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV
	All indicators, except income, not seasonally adjusted						Percent change		
Total personal income (millions of dollars)	1,583,500	1,782,819	25,282	26,019	28,034	26,737	12.4	11.0	12.4
Total wages and salaries (millions of dollars)	1,013,254	1,148,896	18,406	18,045	17,419	17,846	12.1	12.4	12.6
Civilian employment (thousands)	92,442	96,803	1,420	1,410	1,454	1,461	4.1	2.4	3.9
Unemployment (thousands)	6,149	5,605	301	82	68	72	-9.8	-33.8	-8.4
Percent unemployed (unemployment/labor force)	6.2	5.5	6.6	5.5	4.4	4.7	—	—	—
Total loans (millions of dollars)	810,502	n.a.	5,442	5,623	6,422	n.a.	16.3	18.2	—
Total deposits (millions of dollars)	825,811	n.a.	6,255	8,987	8,987	n.a.	11.5	8.6	—
Total valuation of construction contracts (thousands of dollars)	38,913,113	45,491,773	487,236	489,563	606,396	673,995	14.5	32.4	16.8
Dwelling units started (number)	445,772	443,675	4,423	3,751	4,444	3,364	1.8	.3	—
Total retail sales (millions of dollars)	197,030	215,628	n.a.	n.a.	n.a.	n.a.	10.2	—	11.2
New business incorporations (number)	109,411	n.a.	1,363	1,301	1,440	n.a.	6.2	5.6	—
Business failures (number)	1,684	n.a.	16	11	4	n.a.	-8.5	-77.6	—
Consumer Price Index (1967=100):									
U.S. city average	109.2	201.8	—	—	—	—	7.5	—	6.8
Costed	—	—	185.0	183.3	194.2	199.2	—	5.0	—
New York City-Northeast New Jersey	—	—	187.0	188.3	196.8	200.8	—	6.2	—

n.a.: Data not available.

Source: See tables 2 through 6.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 10.5 percent from 1977:IV to 1978:IV, 2.1 percentage points less than in the Nation (table 2). Among State increases, Connecticut's increase ranked 43rd. In 1978:IV, the State's personal income totaled \$28.7 billion, for an increase of \$2.7 billion since 1977:IV. Changes in most major income components were below those registered in corresponding components nationally. Connecticut was the only State in the New England region with an increase in total personal income that was well below the national average; all States in the adjacent Mideast region had below-national-average increases.

Since the last national business cycle peak (1973:IV), Connecticut's economy has grown slowly; the increase in nonfarm income was 19 percent less than nationally, ranking Connecticut 48th among all States.

Consumer prices from 1977:IV to 1978:IV increased 7.5 percent in Boston metropolitan area and 6.2 percent in the New York (and Northeast New Jersey area); both of these increases were well below national increase of 8.9 percent (table 3). If the average price increase in these areas—6.8 percent—is used as an indicator for price movement in the State, real total personal income in Connecticut increased percent from year to year, the same as nationally.

Wage and salary disbursements (payrolls) increased 11.5 percent in State versus 12.6 percent in the Nation. In 1978:IV, they totaled \$1 billion, up \$1.8 billion from year to year. Increases in nearly all private industries in the State were below those registered in corresponding industries in the Nation. Manufacturing payrolls increased 10.8 percent in Connecticut and 13.3 percent in the Nation. Manufacturing payrolls accounted for 23.3 percent of total personal income in Connecticut in 1978:IV versus a national weight of percent. Payrolls in durable goods manufacturing increased 11.2 percent in the State, 4.0 percentage points less than in the Nation. The increase in nondurable goods manufacturing was 9.3 percent, 0.7 percentage point less than in the Nation. Private service-type payrolls increased 12.7 percent in the State versus 13.1 percent in the Nation. The lag particularly pronounced in transportation-communication utilities. In contrast, trade payrolls in Connecticut increased percent versus 14.1 percent in the Nation. Both Federal and State local government payrolls also increased more in Connecticut than the Nation.

State unemployment insurance benefits declined 55.7 percent in Connecticut—the largest decline among all States—versus a decline 30.3 percent in the Nation.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)

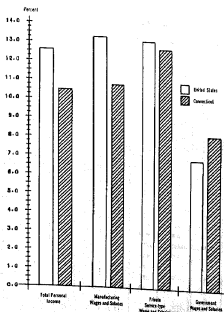


Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

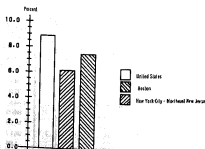


Chart 3.—Total Personal Income
[Seasonally adjusted]

Chart 4.—Industrial Composition of Wages and Salaries: Connecticut
[Seasonally adjusted]

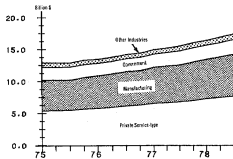
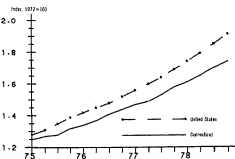


TABLE 2.—Personal Income, United States and Connecticut Through Fourth Quarter, 1978

	United States			Connecticut			U.S. State U.S.		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1978:IV	1978:IV
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²		
Total personal income	1,583,588	1,782,519	25,152	26,015	28,034	28,737	12.4	11.9	12.6
Nonfarm personal income	31,224	38,451	94	96	80	79	47.9	14.7	26.3
Farm personal income	1,552,284	1,744,068	25,158	25,919	27,954	28,658	11.9	11.3	12.3
Total personal income	1,583,588	1,782,519	25,152	26,015	28,034	28,737	12.4	11.9	12.6
Wage and salary disbursements	1,313,216	1,448,686	15,496	16,045	17,419	17,886	12.1	12.4	12.6
Other labor income	96,016	111,719	1,540	1,630	1,813	1,867	17.0	17.7	16.4
Proprietors' income	105,953	125,895	1,237	1,291	1,334	1,375	21.5	7.8	18.9
Farm	23,636	31,044	34	33	15	11	66.6	56.1	31.3
Nonfarm	82,317	94,851	1,203	1,257	1,319	1,364	32.8	9.6	15.3
Dividends, interest, and rent	214,992	242,442	4,087	4,190	4,528	4,641	32.3	10.8	12.8
Transfer payments	215,944	234,750	3,001	3,070	3,135	3,163	4.8	4.5	8.2
State unemployment insurance benefits	11,128	7,753	288	247	131	109	-54.4	-54.4	-30.3
Less: personal contributions	82,212	77,619	996	991	1,185	1,120	14.8	15.2	15.1
Plan: residence adjustment	-401	-473	851	862	912	935	—	—	—
Wage and salary disbursements	1,313,216	1,448,686	15,496	16,045	17,419	17,886	12.1	12.4	12.6
Farm	2,170	1,939	56	58	63	63	8.5	8.4	10.6
Nonfarm	1,309,040	1,446,747	15,440	15,987	17,356	17,823	12.1	12.4	12.6
Mining	14,048	18,813	35	38	35	35	26.5	1.7	33.9
Construction	55,949	60,858	618	650	735	762	18.1	18.9	20.1
Manufacturing	276,112	312,970	5,796	6,354	6,576	6,709	12.1	14.2	13.3
Durable goods	176,216	203,053	4,902	4,772	5,189	5,358	13.7	15.3	15.2
Non-durable goods	99,896	109,917	1,034	1,282	1,387	1,431	9.4	20.6	10.0
Private service-type	435,764	515,348	6,813	7,616	7,880	7,953	12.8	12.9	13.3
Transportation, communication, and public utilities	70,584	85,264	902	872	958	958	18.4	15.8	11.3
Wholesale and retail trade	170,383	195,035	2,392	2,446	2,758	2,833	13.6	15.3	14.1
Finance, insurance, and real estate	54,432	61,653	1,136	1,171	1,286	1,321	14.1	11.3	13.2
Services	153,840	173,396	2,425	2,576	2,710	2,794	12.6	18.8	12.7
Government	286,252	315,083	2,184	2,196	2,251	2,251	7.4	4.5	6.9
Federal	64,173	73,033	569	515	542	572	7.3	6.5	7.1
State and local	133,079	142,050	1,615	1,681	1,749	1,863	7.5	4.4	6.8
Other	3,216	5,685	34	34	35	38	18.7	14.9	14.6

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Analysis Division.

TABLE 3.—Consumer Price Index, United States and Connecticut Through Fourth Quarter, 1978¹

	United States			Connecticut			U.S. State U.S.		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1978:IV	1978:IV
	Index, 1967=100, not seasonally adjusted						Percent change		
U.S. city average ²	185.3	201.8	185.3	185.3	194.2	196.2	7.9	—	8.9
Boston	—	—	187.9	186.3	194.2	196.2	—	5.8	—
New York City—Manhattan	—	—	187.9	186.3	194.2	196.2	—	5.2	—

1. Consumer Price Indexes are shown for the most relevant SMDAOs for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and rounded data are in subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Connecticut's civilian labor force increased 2.2 percent, 0.9 percentage point less than in the Nation (table 4). Total employment increased 3.1 percent in the State, 0.8 percentage point less than nationally, to almost 1.5 million.

With the labor force increasing 33,000 and total employment increasing 43,000, unemployment declined 10,000, to 72,000. In 1978:IV, Connecticut's unemployment rate was 4.7 percent versus 5.5 percent in the Nation. The State's unemployment rate declined 0.8 percentage point from year to year, about the same as nationally. Connecticut was

the only New England State that did not have a sharp decline in the unemployment rate.

In December 1978, the preliminary unemployment rate in the State was 5.1 percent versus 5.4 percent a year previous. December 1978 rates in major metropolitan areas of the State ranged from 4.2 percent in Stamford to 5.7 percent in Waterbury. The rate in Hartford—the largest metropolitan area in the State—was 4.7 percent. From year to year, unemployment rates were either unchanged or down somewhat in each of the State's six major metropolitan areas except Stamford, where the rate increased 0.4 percentage point.

Chart 5—Labor Force, Employment, and Unemployment, 1978:IV
Connecticut

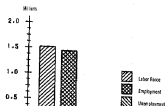


Chart 6—Unemployment Rates, 1977:IV–1978:IV

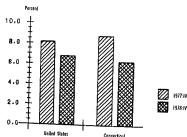


TABLE 4—Labor Force, United States and Connecticut Through Fourth Quarter, 1978

	United States			Connecticut			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III–1978:III	1977:IV–1978:IV	1977:III–1978:III	1977:IV–1978:IV
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls.....	84,216	87,708	1,282	1,706	1,329	1,356	4.3	2.9	4.2	3.9
Manufacturing.....	4,593	5,117	48	45	49	47	10.4	1.9	11.4	5.3
Transportation, communication, and public utilities.....	19,896	20,722	403	466	56	42	3.1	2.1	3.7	3.8
Wholesale and retail trade.....	4,761	4,871	55	57	56	58	3.8	1.8	4.4	2.3
Finance, insurance, and real estate.....	18,152	19,025	230	280	279	289	5.3	4.0	4.5	2.5
Services.....	4,852	4,796	92	92	85	96	4.8	4.6	5.5	4.4
Government.....	15,538	16,215	348	247	263	261	4.6	4.4	4.4	6.0
Civilian labor force ³	15,434	15,656	176	179	177	183	2.1	1.4	1.4	2.2
Total employed.....	94,591	98,695	1,521	1,590	1,522	1,533	3.2	1.9	3.1	2.7
Total unemployed.....	92,442	96,910	1,420	1,418	1,451	1,461	4.1	2.4	3.9	3.1
Percent unemployed.....	6.1	6.2	9.1	8.2	8.0	7.7	-0.8	-0.8	-0.8	-1.0

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being calculated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

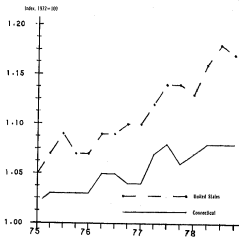


Chart 8.—Civilian Employment

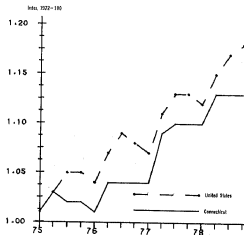


Chart 9.—Unemployment Rate

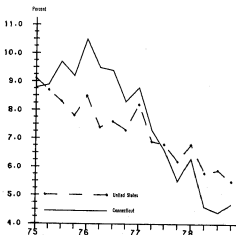
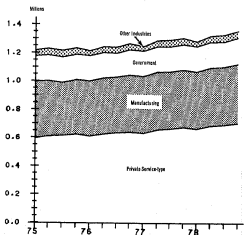


Chart 10.—Industrial Composition of Nonagricultural Employment: Connecticut



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Connecticut Through Fourth Quarter, 1978

	United States			Connecticut			U.S.	State	U.S.	State
	1977:IV	1978:III	1977:III	1977:III	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	612,562	n.a.	5,442	5,829	5,432	n.a.	16.3	18.2	---	---
Commercial and industrial	396,317	n.a.	1,889	1,674	1,946	n.a.	14.2	15.2	---	---
Loans to individuals	140,599	n.a.	1,511	1,682	1,769	n.a.	20.2	16.6	---	---
Rural estate	177,835	n.a.	1,546	2,019	2,378	n.a.	19.9	21.7	---	---
Personal	101,336	n.a.	1,292	1,336	1,267	n.a.	21.3	20.6	---	---
Farms	7,731	n.a.	2	2	3	n.a.	18.7	96.9	---	---
Other	89,969	n.a.	654	879	821	n.a.	19.0	24.0	---	---
Farms, excluding real estate	25,704	n.a.	8	17	9	n.a.	8.8	19.9	---	---
Other	69,947	n.a.	287	358	344	n.a.	6.9	20.1	---	---
Total deposits	826,511	n.a.	8,255	8,967	8,967	n.a.	11.5	8.6	---	---
Demand	377,683	n.a.	3,563	4,123	3,734	n.a.	10.2	4.6	---	---
Time and Savings	547,828	n.a.	4,692	4,793	5,233	n.a.	12.3	11.5	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 16.8 percent in both the State and Nation (table 6). In 1978:IV, contracts in the State totaled \$572 million, for a gain over the year of \$83 million. More than one-half of Connecticut's gain in the total valuation of contracts was traceable to a \$48 million contract in 1978:IV for a commercial warehouse in Hartford. If this warehouse is excluded, the total valuation in the State would have increased only 7 percent.

Construction costs nationally increased about 13 percent; if this increase is representative of cost changes in Connecticut, the real valuation of construction contracts (including the warehouse) would have increased about 4 percent, the same as nationally.

The valuation of nonresidential contracts, largely reflecting the warehouse, increased 38.5 percent in the State versus 15.8 percent in the Nation. Connecticut's gain ranked twelfth among all State gains. The gain in the valuation of nonresidential contracts in Connecticut accounted for nearly two-thirds of the dollar gain in the total valuation of contracts in the State.

The valuation of nonbuilding contracts increased 30.6 percent in Connecticut versus 22.2 percent in the Nation. Partly accounting for this gain was an increase of 122.1 percent in the valuation of street and highway contracts versus a decline of 16.3 percent in the Nation.

The residential construction market was weak in Connecticut. Contracts for additions and alterations to residential housekeeping units declined slightly in the State, in sharp contrast with a gain of 14.6 percent in the Nation. Connecticut was one of only five States with a decline; Connecticut's decline was exceeded only in Pennsylvania. The valuation of residential housekeeping contracts increased only 2.6 percent in Connecticut versus 15.6 percent in the Nation. The number of dwelling units started declined 10.9 percent (407 units), to 3,344 units. Only nine States had declines larger than Connecticut's. In contrast, in the Nation, the number of dwelling units started was virtually unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

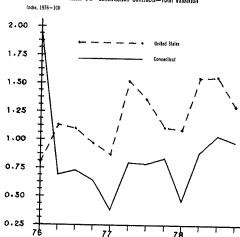


Chart 15.—Construction Contracts—Valuation of Contracts by Type, Connecticut

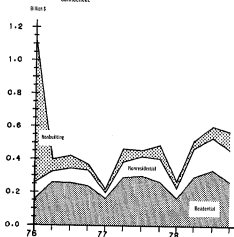


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

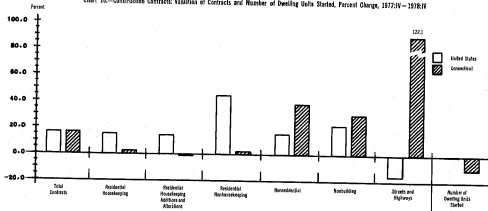


TABLE 6.—Construction Contracts, United States and Connecticut Through Fourth Quarter, 1978¹

	United States			Connecticut			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:III	1977:IV— 1978:IV
	Not seasonally adjusted						Percent change ²			
Total value of contracts	38,013,111	45,418,777	457,316	489,547	605,386	571,095	14.5	32.4	16.8	36.1
Residential housekeeping, additions and alterations: Value (thousands of dollars)	7,767,567	8,832,253	132,177	119,115	135,433	117,689	16.8	17.6	14.6	-1.2
All other contracts										
Number of contracts	62,789	56,828	498	584	543	435	4.4	16.0	-9.3	-35.6
Value (thousands of dollars)	31,208,124	36,627,420	325,159	370,468	449,957	454,306	14.9	38.4	17.9	37.6
Value (thousands of dollars)	881,453	971,596	8,900	8,293	9,725	10,057	10.8	9.3	10.2	21.3
Residential housekeeping: Number of contracts	14,825	16,792	74	72	63	61	-5.1	-14.8	-4.3	-15.3
Value (thousands of dollars)	446,172	463,075	4,423	3,761	4,444	3,344	3.0	5	-6	-18.9
Value (thousands of dollars)	14,879,256	17,138,038	176,545	143,289	183,513	146,948	15.3	7.6	15.6	2.6
Value (thousands of square feet)	576,733	641,736	5,756	4,815	5,704	4,701	10.3	0	10.7	-2.8
Residential new housekeeping: Number of contracts	567	585	0	4	2	3	-10.0	---	-4	-28.0
Value (thousands of dollars)	338,837	416,279	0	2,155	595	2,250	9.4	---	44.8	2.5
Value (thousands of square feet)	4,467	19,560	0	47	28	39	-7	---	24.7	-16.7
Nonresidential: Number of contracts	18,756	27,055	222	310	233	215	-2.5	5	-12.0	-33.6
Value (thousands of dollars)	9,374,419	18,816,181	116,834	143,391	195,824	195,898	27.6	67.8	15.1	30.5
Value (thousands of square feet)	293,250	319,241	1,134	3,412	3,338	5,317	12.2	25.7	8.9	55.8
Nonbuilding: Number of contracts	16,703	18,176	172	208	255	156	22.4	48.3	-8.1	-25.9
Value (thousands of dollars)	6,452,478	8,823,854	31,073	43,637	68,395	109,220	-1	84.5	22.2	30.4
Streets and highways: Number of contracts	4,908	4,036	40	52	46	27	9.3	33.0	-17.6	-48.1
Value (thousands of dollars)	2,380,681	1,591,341	4,506	8,579	10,000	19,849	5.0	105.5	-10.1	122

1. Contracts started or expected to start within 90 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Connecticut are not available.

TABLE 7.—Retail Sales, United States and Connecticut Through Fourth Quarter, 1978

	United States			Connecticut			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:III	1977:IV— 1978:IV
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	297,030	218,829	n.a.	n.a.	n.a.	n.a.	10.3	---	11.2	---
Durable goods	65,085	71,573	n.a.	n.a.	n.a.	n.a.	11.8	---	15.3	---
Nondurable goods	134,965	141,467	n.a.	n.a.	n.a.	n.a.	9.6	---	9.2	---

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Connecticut Through Fourth Quarter, 1978

	United States			Connecticut			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:III	1977:IV— 1978:IV
	Not seasonally adjusted						Percent change			
New business incorporations	199,413	n.a.	3,163	3,381	1,440	n.a.	8.2	5.6	---	---
Total number of business failures	1,684	n.a.	31	31	4	n.a.	-9.5	-77.8	---	---
Current total failures (thousands of dollars)	484,256	n.a.	4,530	3,589	359	n.a.	-64.2	-62.0	---	---
Average liability per failure (thousands of dollars)	288	n.a.	251	145	99	n.a.	-38.4	-64.3	---	---
Business failures by industry										
Mining and manufacturing	248	n.a.	8	4	1	n.a.	-10.1	---	---	---
Construction	319	n.a.	9	9	0	n.a.	1.8	---	---	---
Wholesale trade	151	n.a.	2	2	1	n.a.	-27.1	-50.0	---	---
Retail trade	688	n.a.	9	5	2	n.a.	-4.2	-77.8	---	---
Commercial services	238	n.a.	7	0	0	n.a.	-24.0	---	---	---

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

DELAWARE



Highlights

1977:IV to 1978:IV

- Personal Income**
 —Up 11.6% vs. 12.6% in U.S., to \$5.2 billion
 —Manufacturing payrolls up 6.8% vs. 13.3% in U.S.
 —Services payrolls up 21.3% vs. 12.7% in U.S.
- Consumer prices**
 —Up 6.4% in Baltimore and 7.2% in Philadelphia vs. 8.9% in U.S.
- Employment**
 —Up 2.4% vs. 3.9% in U.S., to 259,000
- Unemployment**
 —Down 2,000, to 18,000
 —Rate down 0.8 percentage point, to 6.5% of labor force vs. 5.5% in U.S.
- Construction**
 —Total valuation of contracts up 11.8% vs. 16.8% in U.S., to \$112 million
 —Valuation of nonresidential contracts down 11.3% vs. 15.8% gain in U.S., to \$33 million
 —Number of dwelling-unit starts up 7.4% vs. near stability in U.S., to 1,013

TABLE 1.—Summary of Economic Indicators, United States and Delaware Through Fourth Quarter, 1978

	United States				DELAWARE				BALTIMORE			
	1977:IV	1978:IV	1977:III	1977:II	1978:IV	1978:III	1978:II	1978:I	1978:IV	1978:III	1978:II	1978:I
	All indicators, except income, not seasonally adjusted								Percent change			
Total personal income (millions of dollars).....	1,583,508	1,742,519	4,559	4,652	5,095	5,289	12.4	11.5	12.4	11.6	---	---
Total wages and salaries (millions of dollars).....	1,013,216	1,140,896	3,685	3,128	3,438	3,483	12.1	10.8	12.4	11.4	---	---
Civilian employment (thousands).....	82,442	96,816	253	253	287	289	4.1	1.8	3.9	2.4	---	---
Unemployment (thousands).....	6,148	5,605	21	28	23	19	-8.8	10.0	-8.8	-8.8	---	---
Percent unemployed (unemployment/labor force).....	6.2	5.5	7.7	7.3	8.3	6.5	---	---	---	---	---	---
Total loans (millions of dollars).....	830,562	n.a.	1,244	1,382	1,440	n.a.	16.3	16.5	---	---	---	---
Total deposits (millions of dollars).....	925,511	n.a.	2,329	2,438	2,569	n.a.	11.5	16.3	---	---	---	---
Total valuation of construction contracts (thousands of dollars).....	38,513,111	45,458,773	98,060	100,362	103,163	112,195	14.5	16.7	16.8	11.8	---	---
Dwelling units started (number).....	445,772	443,675	670	945	1,134	1,013	1.8	28.2	-8	7.2	---	---
Total retail sales (billions of dollars).....	167,836	219,020	n.a.	n.a.	n.a.	n.a.	10.3	---	11.2	---	---	---
New business incorporations (number).....	108,411	n.a.	3,859	3,708	4,197	n.a.	6.2	14.7	---	---	---	---
Business failures (number).....	1,894	n.a.	4	3	1	n.a.	-6.5	-76.8	---	---	---	---
Consumer Price Index (1967=100):												
U.S. city average.....	185.3	201.8	---	---	---	---	7.3	---	6.5	---	---	---
Baltimore.....	---	---	188.8	190.7	202.6	203.0	---	7.3	---	6.4	---	---
Philadelphia.....	---	---	185.4	187.1	187.2	200.6	---	6.8	---	7.2	---	---

n.a.: Data not available.
 Source: See tables 2 through 8.

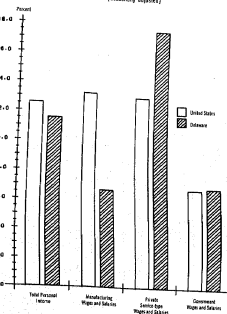
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Delaware increased 11.6 percent from 1977:IV to 1978:IV, lagging the Nation's gain by 1.0 percentage point (table 2). In 1978:IV, Delaware's personal income totaled \$5.2 billion, up \$500 million from 1977:IV. During this timespan, consumer prices increased 7.2 percent in the Philadelphia metropolitan area and 6.4 percent in the Baltimore area; both increases were less than the 8.9-percent national increase (table 3). If the average of the two area increases is used as an indicator for price increases throughout the State, real total personal income in Delaware increased 4.8 percent versus 3.7 percent nationally.

Since the last national business cycle peak in 1973:IV, Delaware's economy has grown at a slower pace than the Nation's; the increase in the State's nonfarm income was 17 percent less than nationally. Only New York, New Jersey, and Connecticut registered lower rates of gain.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
(Seasonally adjusted)



Wage and salary disbursements (payrolls) in Delaware increased 11.4 percent from 1977:IV to 1978:IV, marginally lagging the Nation's 12.6-percent gain. Both components of manufacturing payrolls registered gains that lagged national counterparts: nondurables payrolls increased 8.1 percent, compared with 10.0 percent nationally, and durables payrolls increased 2.7 percent, compared with 15.2 percent nationally. The gain in durables payrolls—the smallest gain among Delaware's major industries—ranked 48th among all States. Construction payrolls increased 19.5 percent, lagging the Nation's gain of 20.1 percent, to \$230 million. Federal Government payrolls increased 6.5 percent, 0.6 percentage point below the national average gain.

State and local government payrolls increased 7.2 percent, leading the Nation's gain of 6.8 percent, to \$409 million. Most of the State's private service-type industries registered large payroll gains. Services payrolls increased 21.3 percent, a rate of gain exceeded only in Wyoming, to \$486 million. Trade payrolls also increased at one of the highest rates in the Nation. Transportation-communication-public utilities payrolls increased 11.3 percent, the same as nationally, to \$192 million.

State unemployment insurance benefits declined by almost one-half—from \$49 million in 1977:IV to \$27 million in 1978:IV. Nationally, unemployment insurance benefits declined 30.3 percent.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

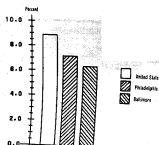


Chart 3.—Total Personal Income
(Seasonally adjusted)

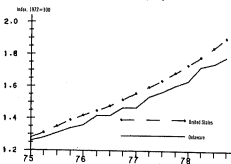


Chart 4.—Industrial Composition of Wages and Salaries: Delaware
(Seasonally adjusted)

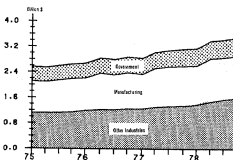


TABLE 2.—Personal Income, United States and Delaware Through Fourth Quarter, 1978

	United States			Delaware			U.S. State		U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV		
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,583,588	1,782,519	4,558	4,662	5,085	5,283	32.4	12.5	12.6	11
Farm personal income	31,234	38,451	58	70	107	124	47.9	85.3	26.3	71
Nonfarm personal income	1,552,354	1,744,068	4,500	4,592	4,977	5,078	11.9	10.6	12.3	10
Total personal income	1,583,588	1,782,519	4,558	4,662	5,085	5,283	32.4	12.5	12.6	11
Wages and salary disbursements	1,012,216	1,149,696	3,085	3,128	3,418	3,483	12.1	10.8	12.6	11
Other labor income	96,316	111,719	319	322	359	362	17.0	12.7	16.4	12
Proprietors' income	106,950	125,085	213	224	277	298	23.5	31.8	18.9	31
Farm	23,836	31,644	45	57	84	111	66.6	106.4	31.3	31
Nonfarm	83,117	94,951	165	167	183	188	12.8	11.2	15.3	12
Dividends, interest, and rent	214,882	242,442	751	770	836	852	12.3	10.6	12.8	10
Transfer payments	275,944	239,750	525	545	569	576	8.8	8.4	8.2	9
State unemployment insurance benefits	11,128	7,753	39	49	29	27	-24.6	-27.4	-30.3	-45
Less: personal contributions	82,212	78,610	985	106	210	210	14.8	12.4	15.1	13
Plus: residence adjustment	-461	-473	-144	-142	-159	-156	-	-	-	-
Wage and salary disbursements	1,012,216	1,149,696	3,085	3,128	3,418	3,483	12.1	10.8	12.6	11
Farm	1,176	7,928	12	13	13	13	8.5	8.0	10.6	6
Nonfarm	1,010,940	1,132,757	3,073	3,115	3,405	3,469	12.1	10.8	12.6	11
Mining	14,548	18,813	5	9	4	4	26.5	-5.1	33.8	-54
Construction	58,548	66,858	158	153	225	239	15.1	23.4	20.1	19
Manufacturing	278,312	312,979	1,245	1,237	1,308	1,321	12.1	5.8	13.3	8
Durable goods	178,216	203,653	0	0	0	0	13.7	-	15.2	-
Nondurable goods	89,896	109,927	0	0	0	0	8.4	-	10.8	-
Private service type	455,764	515,348	0	0	0	0	12.8	-	13.1	-
Transportation, communication, and public utilities	76,384	85,284	177	173	189	182	10.4	7.2	11.3	11
Wholesale and retail trade	170,868	198,835	426	428	488	515	13.6	14.7	14.1	20
Finance, insurance, and real estate	54,452	61,653	129	131	138	158	14.1	7.1	13.2	5
Services	353,040	413,396	285	401	407	406	32.8	18.6	12.7	31
Government	391,252	215,883	582	537	554	575	7.4	10.4	6.9	7
Federal	80,176	73,003	149	155	161	165	7.3	8.3	7.1	6
State and local	131,076	142,880	353	382	393	409	7.5	11.4	6.8	7
Other	3,216	3,685	0	0	0	0	18.7	-	14.6	-

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Delaware Through Fourth Quarter, 1978¹

	United States			Delaware			U.S. State		U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV		
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ¹	105.3	200.8	---	---	---	---	7.9	---	8.9	---
Baltimore	---	---	188.8	190.7	202.6	205.0	---	7.3	---	6.1
Philadelphia	---	---	185.4	187.1	197.2	200.6	---	6.4	---	7.7

1. Consumer Price indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and rounded data are used for subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Delaware's civilian labor force increased 1.6 percent, about one-half of the Nation's average advance (table 4). Total employment increased from 253,000 to 259,000, a 2.4-percent advance that lagged the national advance of 3.9 percent.

With employment increasing by 6,000 and the labor force increasing by only 4,000, the number of unemployed declined by 2,000. The

unemployment rate declined 0.8 percentage point, to 6.5 percent of labor force. Delaware's unemployment rate was about 1 percentage point above the Nation's rate in both 1977:IV and 1978:IV.

According to preliminary data for December 1978, the unemployment rate in the Wilmington metropolitan area was 5.9 percent, compared with a 6.4-percent rate statewide.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV, Delaware

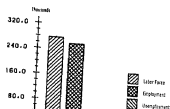


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

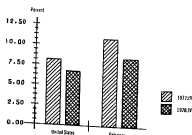


TABLE 4.—Labor Force, United States and Delaware Through Fourth Quarter, 1978

	United States			Delaware			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:IV—1978:III	1977:IV—1978:III	1977:IV—1978:IV	1977:IV—1978:IV
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,218	87,788	243	204	752	255	4.3	3.9	4.2	4.6
Mining and services	16,325	17,114	41	40	44	43	10.4	5.1	11.3	7.5
Construction	4,032	4,488	55	55	17	44	3.3	1.2	11.3	3.3
Manufacturing	19,586	20,722	69	69	78	70	3.3	1.2	2.7	9
Transportation, communication, and public utilities	4,761	4,971	17	69	78	70	3.3	1.2	4.4	8.3
Retail trade	19,132	20,415	54	12	13	13	3.8	4.1	4.5	6.7
Finance, insurance, and real estate	4,852	4,756	11	11	55	58	5.3	1.7	2.0	5.6
Government	15,434	15,656	29	42	43	44	2.1	9.5	1.4	4.5
Civilian labor force ³	96,591	101,415	274	273	298	277	3.2	2.3	3.1	1.6
Total employed	92,642	96,010	253	253	259	259	4.1	1.6	3.9	2.4
Total unemployed	6,149	5,405	21	20	39	18	-9.8	16.9	-8.8	-8.8
Unemployment rate	6.2	5.5	7.7	7.3	8.7	6.5	-	-	-	-

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, data on Delaware are being estimated by new methods, using more current data. This notes a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

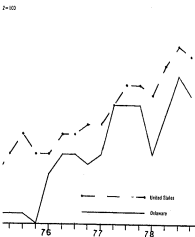


Chart 8.—Civilian Employment

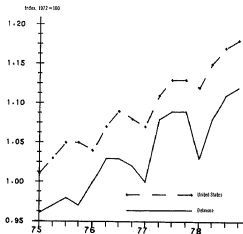


Chart 9.—Unemployment Rate

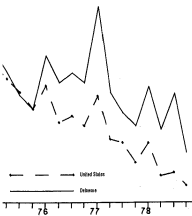
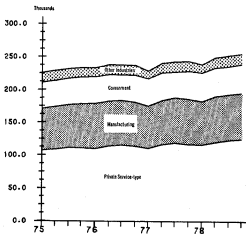


Chart 10.—Industrial Composition of Nonagricultural Employment: Delaware



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Delaware Through Fourth Quarter, 1978

	United States			Delaware			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	618,592	n.a.	1,244	1,362	1,440	n.a.	16.3	16.5	---	---
commercial and industrial	196,217	n.a.	356	267	219	n.a.	14.2	12.0	---	---
residential	148,999	n.a.	415	432	418	n.a.	28.2	15.3	---	---
other	177,835	n.a.	568	586	658	n.a.	19.9	17.0	---	---
total deposits	101,238	n.a.	375	396	450	n.a.	21.3	29.8	---	---
time deposits	68,068	n.a.	173	187	189	n.a.	16.7	23.6	---	---
other	25,714	n.a.	12	13	12	n.a.	39.0	8.1	---	---
total deposits	69,947	n.a.	58	70	81	n.a.	6.8	2.2	---	---
total deposits	829,811	n.a.	2,319	2,428	2,569	n.a.	8.0	38.9	---	---
total deposits	377,683	n.a.	850	905	935	n.a.	11.5	38.3	---	---
total deposits	347,826	n.a.	1,476	1,440	1,631	n.a.	10.2	9.7	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of contracts in Delaware rose 11.8 percent, lagging the Nation's gain by 5 percentage points, to \$112.2 million (table 6). National construction costs rose about 13 percent during the same time span; if this rise reflects the advance throughout Delaware, the real total valuation of contracts in the State declined marginally versus a rise of about 4 percent nationally.

The valuation of nonresidential contracts declined 11.3 percent from year to year, compared with a 15.8-percent gain nationally. Large contracts in New Castle County affected the valuation of nonresidential contracts in both 1977:IV and 1978:IV. In 1977:IV, the valuation totaled \$36.9 million, including \$20 million for the construction of a shopping center. In 1978:IV, the valuation totaled \$32.7 million, including \$12 million for the construction of an office building. If both contracts are excluded, the valuation of nonresidential contracts in Delaware would have increased 22.6 percent.

The valuation of all other types of construction contracts in Delaware increased at rates that exceeded those of national counterparts. Residential housekeeping contracts rose 16.7 percent in valuation, comparing favorably with the Nation's 15.6-percent gain. The number of dwelling units started rose 7.2 percent, to 1,013 units. Nationally, in contrast, the number of dwelling units started was almost unchanged at a high level. The valuation of contracts for additions and alterations to residential housekeeping units rose 24.5 percent, almost 10 percentage points above the national average, to \$22.2 million.

The valuation of nonbuilding contracts rose 30.8 percent versus the Nation's 22.2-percent gain, to \$22.3 million. Delaware's gain was partly due to a \$12 million roadway contract in New Castle County in 1978:IV. Reflecting the roadway contract, the valuation of street and highway contracts rose nearly sevenfold. Delaware's gain was exceeded only by South Dakota's. Nationally, the valuation of street and highway contracts declined 16.3 percent.

Chart 14.—Construction Contracts—Total Valuation

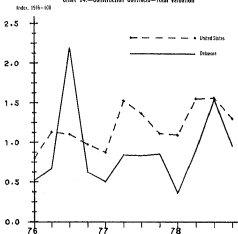


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Delaware

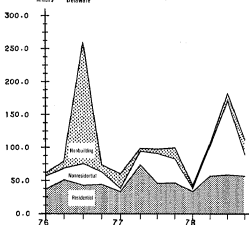


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

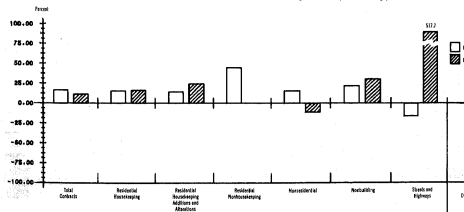


TABLE 6.—Construction Contracts, United States and Delaware Through Fourth Quarter, 1978*

	United States		Delaware		U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1978:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV
Total value of contracts			Not seasonally adjusted					
Residential housekeeping, additions and alterations	38,913,101	45,450,773	38,966	106,742	383,163	112,135	14.5	85.7
Nonresidential housekeeping								
Federal (thousands of dollars)	7,307,987	8,832,353	16,832	17,824	23,577	22,387	16.8	20.1
All other contracts								
Number of contracts	42,280	36,528	167	179	215	196	4.4	26.7
Value (thousands of dollars)	31,205,126	35,627,476	76,428	82,518	158,525	19,806	14.6	183.4
Floor area (thousands of square feet)	801,453	971,596	2,454	2,394	2,812	1,969	10.8	-18.0
Nonresidential housekeeping								
Number of contracts	14,815	14,182	17	18	14	14	-5.1	-17.6
Value (thousands of dollars)	445,772	443,675	878	945	1,134	1,013	2.0	29.2
Floor area (thousands of square feet)	14,879,596	17,158,518	26,300	28,627	34,389	33,410	15.3	19.6
Nonresidential housekeeping								
Number of contracts	679,733	641,746	952	1,047	1,239	1,114	10.3	10.7
Value (thousands of dollars)	387	575	1	0	3	6	-10.9	268.0
Floor area (thousands of square feet)	338,637	490,273	58	0	1,120	1,648	5.4	44.8
Nonresidential								
Number of contracts	8,467	10,160	0	0	28	59	-7	24.7
Value (thousands of dollars)	20,756	27,815	112	98	124	88	-2.5	10.7
Floor area (thousands of square feet)	8,304,415	10,818,769	45,670	38,862	112,062	72,679	27.8	145.4
Nonbuilding								
Number of contracts	283,263	309,740	1,503	1,347	745	797	12.2	-50.4
Value (thousands of dollars)	36,701	15,176	37	94	74	48	22.6	106.0
Streets and Highways	6,852,475	8,127,854	6,350	17,023	11,934	22,279	-2	85.7
Number of contracts	4,396	4,569	22	15	27	20	9.3	22.7
Value (thousands of dollars)	2,358,981	1,521,381	5,548	2,823	7,088	18,961	3.8	26.3

*Percent change greater than 95.9.

† Contracts started or expected to start within 60 days.

‡ Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE: Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Delaware are not available.

TABLE 7.—Retail Sales, United States and Delaware Through Fourth Quarter, 1978

	United States		Delaware		U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1978:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV
			Not seasonally adjusted					
Millions of dollars, not seasonally adjusted								
Retail sales	197,810	238,020	n.a.	n.a.	n.a.	n.a.	10.3	11.2
Durable goods	82,085	71,573	n.a.	n.a.	n.a.	n.a.	11.8	15.3
Nondurable goods	134,995	147,447	n.a.	n.a.	n.a.	n.a.	9.6	9.2

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Delaware Through Fourth Quarter, 1978

	United States		Delaware		U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1978:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV
			Not seasonally adjusted					
Number of business incorporations	109,411	n.a.	3,691	3,726	4,162	n.a.	8.2	34.7
Total number of business failures	1,604	n.a.	4	1	1	n.a.	-8.5	-75.0
Average liability per failure (thousands of dollars)	454,796	n.a.	394	813	26	n.a.	-64.2	-93.4
Business failures by industry	288	n.a.	99	294	26	n.a.	-38.4	-72.7
Manufacturing and construction	248	n.a.	0	0	0	n.a.	-10.1	---
Wholesale trade	319	n.a.	0	2	0	n.a.	1.0	---
Retail trade	191	n.a.	0	0	0	n.a.	-27.1	---
Commercial services	688	n.a.	3	1	1	n.a.	-4.2	---
Other	238	n.a.	0	0	0	n.a.	-24.0	---

n.a. Data not available.

Source: Dun & Bradstreet, Inc.

NOTE: This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

DISTRICT OF COLUMBIA

Highlights

1977:IV to 1978:IV

Personal Income

- Up 8.4% vs. 12.6% in U.S., to \$7.0 billion
- Services payrolls up 8.9% vs. 12.7% in U.S.
- Local government payrolls up 0.2% vs. 6.8% in U.S.

Consumer prices

- Up 9.1% in the metropolitan area vs. 8.9% in U.S.

Employment

- Up 3.6% vs. 3.9% in U.S., to 309,000

Unemployment

- Down 3,000, to 26,000
- Rate down 1.1 percentage points, to 7.8% of labor force vs. 5.5% in U.S.

Construction

- Total valuation of contracts down 51.0% vs. 16.8% gain in U.S., to \$112 million
- Number of dwelling-unit starts up sharply vs. near stability in U.S., to 661

TABLE 1.—Summary of Economic Indicators, United States and District of Columbia Through Fourth Quarter, 1978

	United States				District of Columbia		U.S. 1977 1 ^a
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	
	All indicators, except income, not seasonally adjusted						
Total personal income (millions of dollars)	1,083,908	1,782,519	6,309	6,476	6,785	7,018	12.
Total wages and salaries (millions of dollars)	1,011,216	1,148,096	9,456	10,165	10,386	10,426	12.
Civilian employment (thousands)	92,462	96,010	298	293	304	309	4.
Unemployment (thousands)	6,149	5,605	33	29	31	26	-9.
Percent unemployed (unemployment/labor force)	6.2	5.8	10.0	9.9	9.4	7.8	—
Total loans (millions of dollars)	616,502	n.a.	2,675	2,639	3,319	n.a.	16.
Total deposits (millions of dollars)	825,511	n.a.	4,101	4,392	4,682	n.a.	11.
Total valuation of construction contracts (thousands of dollars)	38,913,111	45,498,773	143,314	228,696	141,300	111,682	14.
Dwelling units started (number)	445,772	443,075	552	177	462	661	1.
Total retail sales (millions of dollars)	197,890	219,020	n.a.	n.a.	n.a.	n.a.	10.
New business incorporations (number)	108,411	n.a.	542	677	183	n.a.	8.
Business failures (number)	1,884	n.a.	0	0	0	n.a.	-9.
Consumer Price Index (1967=100):							
U.S. city average	105.3	201.6	105.5	109.1	201.8	208.3	7.
Washington, D.C.	—	—	108.5	109.1	201.8	208.3	—

n.a. Data not available.

Source: See tables 2 through 6.

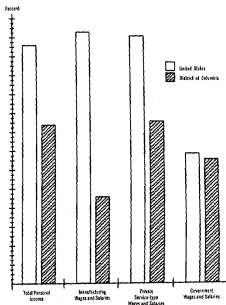
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in the District of Columbia increased 8.4 percent from 1977:IV to 1978:IV, lagging the Nation's increase by over 4 percentage points; only Alaska registered a smaller increase. In 1978:IV, the District's personal income totaled \$7.0 billion, up \$543 million since 1977:IV. During this timespan, the Consumer Price Index for the Washington, D.C. metropolitan area increased 9.1 percent versus 8.9 percent nationally (table 3). If the metropolitan area increase is used as an indicator for price increases within the District, real total personal income in the District declined almost 1.0 percent from year to year, compared with a 3.7-percent increase nationally.

Since the last national business cycle peak in 1973:IV, the District's economy has grown more slowly than the Nation's; the increase in nonfarm income was 17 percent less than nationally. Growth was slower only in New York, New Jersey, Connecticut, and Delaware.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
(Seasonally adjusted)



Wage and salary disbursements (payrolls), which include disbursements within the District to nondistrict residents, increased 7.5 percent from 1977:IV to 1978:IV, compared with 12.6 percent nationally, to \$10.9 billion. All of the District's major industries except Federal Government registered payroll gains that fell short of national counterparts. State and local government payrolls increased 0.2 percent, less than in a State, to \$914 million. Manufacturing payrolls increased 4.6 percent, almost one-third of the national increase. Construction payrolls increased 11.0 percent, compared with a 20.1-percent gain nationally.

Private service-type industries registered payroll gains that were among the smallest in the Nation. Services payrolls increased 8.9 percent, lagging the national average increase by almost 4 percentage points, to \$5 billion. Transportation-communication-public utilities payrolls increased 5.8 percent, compared with 11.3 percent in the Nation. Trade payrolls increased at a rate that was appreciably lower than in the Nation's.

Federal Government payrolls increased 7.9 percent versus 7.1 percent nationally, to \$5.1 billion. In 1978:IV, the Federal Government payroll in the District of Columbia accounted for 7.0 percent of all Federal payrolls nationally.

District unemployment insurance benefits declined 41.8 percent, from \$73 million in 1977:IV to \$43 million in 1978:IV. National unemployment insurance benefits declined 30.3 percent.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

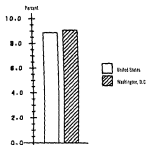


Chart 3.—Total Personal Income
(Seasonally adjusted)

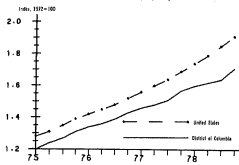


Chart 4.—Industrial Composition of Wages and Salaries: District of Columbia
(Seasonally adjusted)

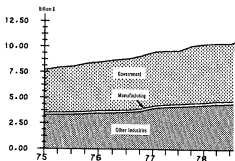


TABLE 2.—Personal Income, United States and District of Columbia Through Fourth Quarter, 1978

	United States			District of Columbia			U.S. State		U.S. 1977- 1978 1977- 1978
	1972:IV	1978:IV	1972:III	1977:IV	1978:III	1978:IV	1977:III- 1978:II		
	Billions of dollars, seasonally adjusted at annual rates ¹						Percent change ²		
Total personal income	1,583,508	1,782,519	8,289	6,475	6,795	7,018	12.4	8.9	12.6
Farm personal income	31,224	39,451	0	0	0	0	47.9	—	26.3
Nonfarm personal income	1,552,284	1,743,068	8,289	6,475	6,795	7,018	11.9	8.9	12.3
Total personal income	1,583,508	1,782,519	8,289	6,475	6,795	7,018	12.4	8.9	12.6
Wage and salary disbursements	1,013,216	1,149,896	6,656	10,185	10,398	10,508	12.1	7.7	12.6
Other labor income	96,616	111,719	535	682	596	620	17.0	11.4	16.4
Proprietors' income	108,553	125,996	391	262	214	218	21.5	8.5	10.9
Partners	23,636	31,944	0	0	0	0	66.6	—	31.3
Nonfarm	82,317	94,961	201	262	214	218	12.8	6.5	15.3
Dividends, interest, and rent	214,902	242,442	1,131	1,158	1,265	1,300	12.3	11.9	12.8
Transfer payments	215,944	233,750	1,317	1,352	1,439	1,449	8.8	6.5	8.2
State unemployment insurance benefits	11,139	7,753	56	73	45	43	-34.9	-21.8	-36.3
Less: personal contributions	62,232	71,610	673	578	619	633	14.9	8.8	15.1
Plus: insurance adjustment	-481	-473	-6,056	-4,387	-5,518	-6,854	—	—	—
Wage and salary disbursements	1,013,216	1,149,896	6,656	10,185	10,398	10,508	12.1	7.7	12.6
Farm	7,176	7,539	0	0	0	0	8.5	—	10.6
Nonfarm	1,006,040	1,132,357	6,656	10,185	10,398	10,508	12.1	7.7	12.6
Mining	14,048	18,813	1	1	1	1	26.5	14.1	31.9
Construction	55,648	66,858	239	215	247	229	19.1	3.4	26.1
Manufacturing	276,112	312,670	247	263	274	279	12.1	11.2	13.3
Durable goods	176,218	203,953	0	0	0	0	13.7	—	15.2
Non-durable goods	58,896	108,717	0	0	0	0	9.4	—	39.0
Private service-type	468,384	535,348	0	0	0	0	12.8	—	13.1
Transportation, communication, and public utilities	76,594	85,284	519	545	567	577	16.4	8.1	11.3
Wholesale and retail trade	170,888	195,035	654	856	899	708	13.6	5.8	14.1
Finance, insurance, and real estate	54,452	61,853	412	416	487	468	14.1	10.9	13.2
Services	153,848	175,396	2,293	2,351	2,418	2,561	12.8	5.4	12.7
Government	201,252	215,083	5,220	5,644	5,652	6,018	7.4	8.3	6.9
Federal	66,178	73,683	4,396	4,712	4,763	5,084	7.3	8.3	7.7
State and local	135,074	141,400	825	932	889	934	7.5	8.0	7.0
Other	3,216	3,885	0	0	0	0	18.7	—	—

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Region Division.

TABLE 3.—Consumer Price Index, United States and District of Columbia Through Fourth Quarter, 1978¹

	United States			District of Columbia			U.S. State	
	1972:IV	1978:IV	1972:III	1977:IV	1978:III	1978:IV	1977:III- 1978:II	1977:IV
	Index, 1967=100, not seasonally adjusted						Percent	
U.S. city average ²	185.3	201.8	—	—	—	—	7.9	—
Washington, D.C.	—	—	185.5	188.1	201.8	206.3	—	8.8

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Adjusted for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Revised data are used for the quarters prior to January 1978, and sales subsequent quarters. Users are advised to exercise caution when making comparisons.

Labor Force

1977:IV to 1978:IV, the District of Columbia's civilian labor force rose 2.3 percent, lagging the Nation's 3.1-percent advance (table 4). Total employment increased from 298,000 to 309,000, a 3.6-percent rise that was marginally below the national advance of 3.9 percent.

Employment increasing by 11,000 and the labor force increasing by 8,000, the number of unemployed declined by 3,000. The unemployment rate declined 1.1 percentage points, to 7.8 percent of the

labor force. The District's unemployment rate in 1978:IV was exceeded only by the rate in Alaska and was well above the Nation's 5.5-percent rate.

According to preliminary data for December 1978, the unemployment rate was 7.1 percent in the District of Columbia, compared with 4.2 percent in the Washington, D.C. metropolitan area as a whole.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV, District of Columbia

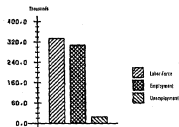


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

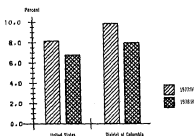


TABLE 4.—Labor Force, United States and District of Columbia Through Fourth Quarter, 1978

	United States		District of Columbia				U.S.		U.S.	
	1977:IV	1978:IV	1977:IV	1978:IV	1978:IV	1978:IV	1977:IV—1978:IV	1978:IV	1977:IV—1978:IV	1978:IV
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Payees on nonagricultural payrolls	84,716	87,708	585	573	586	587	4.3	.2	4.2	1.3
Self-employed	16,326	17,114	150	153	151	159	—	.3	—	3.6
Unemployed	4,832	4,688	15	15	16	15	10.4	4.0	11.3	4.1
Total labor force	19,985	20,722	150	153	151	151	3.1	1.4	3.7	1.3
Government	4,261	4,971	26	26	26	26	3.8	1.2	4.4	.8
Non-government	15,724	15,751	124	127	125	125	2.2	1.2	4.5	1.2
Total	19,985	20,722	150	153	151	151	3.1	1.4	3.7	1.3
Total labor force	19,985	20,722	150	153	151	151	3.1	1.4	3.7	1.3
Unemployed	4,832	4,688	15	15	16	15	10.4	4.0	11.3	4.1
Total	19,985	20,722	150	153	151	151	3.1	1.4	3.7	1.3

¹ May not add to totals because of rounding.

² on unrounded data.

Fig. January 1979. These data are being estimated by new methods, using more current data. This

is the first, and some are subject to revision when making comparisons over time.

U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

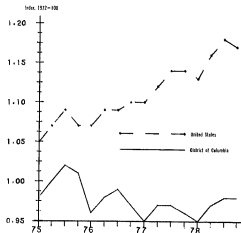


Chart 8.—Civilian Employment

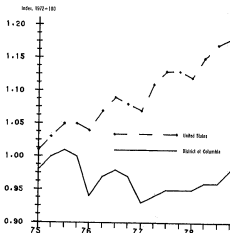


Chart 9.—Unemployment Rate

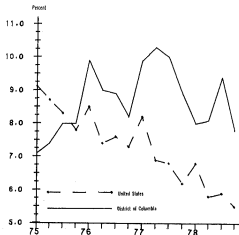
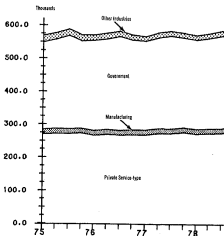


Chart 10.—Industrial Composition of Nonagricultural Employment: District of Columbia



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and District of Columbia Through Fourth Quarter, 1978

	United States			District of Columbia			U.S.	State	U.S.
	1977 iv	1978 iv	1977 iii	1977 iv	1978 iii	1978 iv	1977 iii	1978 iii	1977 iv
	Billions of dollars, not seasonally adjusted ¹						Percent change ²		
Total loans	400,502	n.a.	2,675	2,828	3,319	n.a.	36.3	34.0	—
Commercial and industrial	196,317	n.a.	584	605	855	n.a.	14.2	53.2	—
Loans to individuals	140,596	n.a.	569	589	694	n.a.	30.2	22.2	—
Real estate	177,815	n.a.	951	1,616	1,165	n.a.	10.9	27.6	—
Residential	130,236	n.a.	552	561	643	n.a.	21.2	16.4	—
Other	7,731	n.a.	1	1	2	n.a.	10.7	43.4	—
Farms, excluding real estate	62,968	n.a.	387	424	520	n.a.	19.0	21.1	—
Other	25,704	n.a.	1	1	1	n.a.	6.8	20.8	—
Other	69,947	n.a.	580	546	573	n.a.	8.0	-1.2	—
Total deposits	925,511	n.a.	4,181	4,392	4,882	n.a.	11.5	34.2	—
Demand	377,683	n.a.	2,114	2,324	2,338	n.a.	10.2	10.5	—
Time and savings	547,828	n.a.	1,967	2,068	2,544	n.a.	12.3	38.0	—

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

The total valuation of contracts in the District of Columbia declined by more than one-half from 1977:IV to 1978:IV, to \$11.7 million (table 6). The decline was in sharp contrast to the Nation's 16.8-percent average gain and was exceeded only by the decline in North Dakota. Two large contracts in 1977:IV—a \$35 million hotel and a \$70 million subway project—raised the District's total valuation of contracts to an unusually high level, thereby distorting the subsequent year-to-year change. If both projects are excluded, the total valuation of contracts would have changed only slightly.

Despite a substantial gain in the valuation of street and highway contracts (from \$480,000 in 1977:IV to \$3.9 million in 1978:IV), the valuation of all nonbuilding contracts declined to only one-fifth of the 1977:IV level. The 1977:IV level had been unusually high because of the subway contract. Nationally, nonbuilding contracts rose 22.2 percent in valuation.

The valuation of residential nonhousekeeping contracts was \$35.4 million in 1977:IV, including the hotel contract; in 1978:IV, the valuation was only \$313,000.

Nonresidential contracts declined 55.2 percent in valuation, the largest decline in the Nation, compared with a 15.8-percent national gain. In 1977:IV, the valuation of nonresidential contracts had been unusually high in the District, partly because of a \$20 million contract for the construction of an office building.

Contracts for additions and alterations to residential housekeeping units rose 12.6 percent in valuation, lagging the Nation's gain by 2 percentage points, to \$25.7 million.

The valuation of residential housekeeping contracts rose 247.3 percent, the largest gain in the Nation and well above the national average gain of 15.6 percent. The number of dwelling units started rose from 177 in 1977:IV to 661 in 1978:IV; the gain of 273.4 percent was the largest in the Nation. Nationally, in contrast, the number of dwelling units started was almost unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

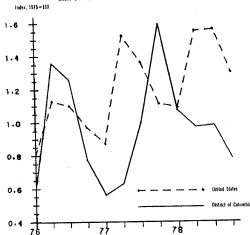


Chart 15.—Construction Contracts—Valuation of Contracts by Type: District of Columbia

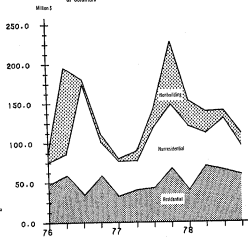


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

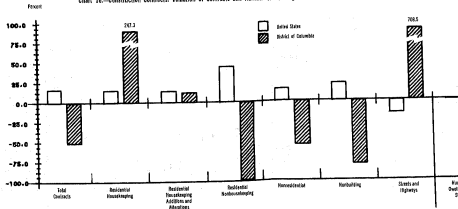


TABLE 6.—Construction Contracts, United States and District of Columbia Through Fourth Quarter, 1978¹

	United States			District of Columbia			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV
	Not seasonally adjusted						Percent change ²			
Total value of contracts	38,913,111	45,459,773	143,314	228,896	343,393	317,680	14.5	-3.5	16.9	-51.0
Residential construction and other private nonbuilding construction	7,707,862	8,832,707	20,203	22,886	26,410	35,736	16.8	30.7	14.6	17.6
Nonresidential construction										
Manufacturing	62,389	56,826	125	128	128	130	4.4	7.4	-9.3	3.1
Electric, electronic, and other electrical equipment	31,285,174	38,627,426	122,211	285,230	184,693	85,944	14.0	-6.8	17.4	-58.1
Chemical and allied products	881,453	971,556	1,800	2,005	1,755	1,081	38.8	-11.4	10.2	-67.3
Transportation equipment	14,825	14,382	24	33	29	26	-5.1	28.8	-4.3	100.0
Other nonbuilding construction	14,825	14,382	562	177	482	663	1.6	-16.5	-5	273.4
Nonbuilding construction contracts in progress	14,825,556	17,196,518	17,889	5,734	24,536	33,818	15.3	37.1	15.6	247.3
Nonbuilding construction contracts in progress	519,710	641,786	639	271	518	540	10.3	-18.8	10.7	94.2
Nonbuilding construction contracts in progress	537	505	4	5	7	4	-10.6	75.0	-4	-20.0
Nonbuilding construction contracts in progress	338,617	493,229	5,020	35,417	14,870	313	9.4	165.5	44.8	-98.1
Nonbuilding construction contracts in progress	8,469	10,580	179	708	217	9	-7	21.2	24.7	---
Nonbuilding construction contracts in progress	30,256	27,055	74	86	46	64	-2.5	-37.8	-12.0	-25.6
Nonbuilding construction contracts in progress	9,334,415	10,580,793	75,297	81,375	65,744	36,673	27.6	-13.8	15.8	-55.2
Nonbuilding construction contracts in progress	292,253	319,260	1,167	1,124	1,020	551	12.2	-12.3	8.3	-51.0
Nonbuilding construction contracts in progress	35,701	15,174	23	22	46	26	22.4	108.0	-9.1	63.6
Nonbuilding construction contracts in progress	5,652,476	8,127,854	23,325	78,704	5,546	18,348	-1	-98.1	22.2	-80.5
Nonbuilding construction contracts in progress	4,985	4,895	0	4	34	9	3	121.3	-17.8	125.0
Nonbuilding construction contracts in progress	2,304,681	1,571,341	2,701	480	3,538	3,881	3.0	31.8	-16.3	708.5

1. Contracts booked or expected to start within 60 days.
2. Percent change for first area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for these areas may not add to totals because of rounding.

Retail Sales

Retail sales data for the District of Columbia are not available.

TABLE 7.—Retail Sales, United States and District of Columbia Through Fourth Quarter, 1978

	United States			District of Columbia			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	197,020	216,820	n.a.	n.a.	n.a.	n.a.	10.3	---	13.2	---
Durable goods	62,065	71,573	n.a.	n.a.	n.a.	n.a.	11.8	---	15.3	---
Nondurable goods	134,955	147,447	n.a.	n.a.	n.a.	n.a.	9.6	---	9.2	---

n.a. Data not available.

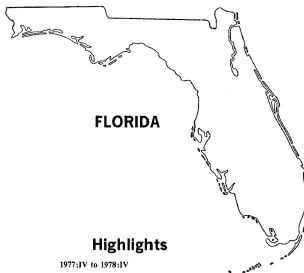
Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and District of Columbia Through Fourth Quarter, 1978

	United States			District of Columbia			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV
	Not seasonally adjusted						Percent change			
New business incorporations	109,411	n.a.	542	577	183	n.a.	8.2	-88.2	---	---
Total number of business failures	1,644	n.a.	9	9	9	n.a.	-6.5	---	---	---
Current liabilities (thousands of dollars)	444,756	n.a.	0	0	0	n.a.	-64.2	---	---	---
Average liability per failure (thousands of dollars)	238	n.a.	0	0	0	n.a.	-38.4	---	---	---
Business failures by industry										
Mining and manufacturing	248	n.a.	0	0	0	n.a.	---	---	---	---
Construction	319	n.a.	0	0	0	n.a.	---	---	---	---
Wholesale trade	191	n.a.	0	0	0	n.a.	-10.1	---	---	---
Retail trade	588	n.a.	0	0	0	n.a.	3.0	---	---	---
Commercial services	238	n.a.	0	0	0	n.a.	-27.1	---	---	---

n.a. Data not available.
Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income

- Up 14.0% vs. 12.6% in U.S., to \$67.4 billion
- Payrolls up 20.5% in durables manufacturing vs. 15.2% in U.S.
- Payrolls up 14.0% in services vs. 12.7% in U.S.

Employment

- Up 3.8% vs. 3.9% in U.S., to 3.5 million

Unemployment

- Down 24,000, to 245,000
- Rate down to 6.5% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts up 29.1% vs. 16.8% in U.S., to \$2.6 billion
- Number of dwelling-unit starts up 35.8% vs. near stability in U.S., to 40,298

Retail sales

- Up 14.2% vs. 11.2% in U.S., to almost \$9.9 billion

TABLE 1.—Summary of Economic Indicators, United States and Florida Through Fourth Quarter, 1978

	United States			Florida			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,583,048	1,782,519	57,442	59,181	65,738	67,448	12.4	14.4	12.6	14.0
Total wages and salaries (millions of dollars)	1,013,235	1,346,696	32,251	33,163	36,697	37,766	12.1	13.9	12.6	13.8
Civilian employment (thousands)	92,442	96,019	3,283	3,369	3,518	3,498	4.1	7.2	3.9	3.8
Unemployment (thousands)	6,148	5,605	268	269	295	265	-5.8	-1.2	-6.0	-5.8
Percent unemployed (unemployment/labor force)	6.2	5.5	7.6	7.4	7.8	6.5	—	—	—	—
Total loans (millions of dollars)	\$16,582	n.a.	14,759	15,648	17,563	n.a.	16.3	18.7	—	—
Total deposits (millions of dollars)	\$28,511	n.a.	27,285	28,792	30,549	n.a.	11.5	11.9	—	—
Total valuation of construction contracts (thousands of dollars)	38,913,111	45,456,773	1,858,666	2,008,696	2,636,405	2,582,028	14.5	41.8	16.8	29.1
Dwelling units started (number)	445,772	443,075	28,245	28,670	41,032	40,298	1.0	43.3	-1.4	35.8
Total retail sales (millions of dollars)	197,030	216,020	7,672	8,694	9,861	9,896	10.2	12.9	11.2	14.2
New business incorporations (number)	109,411	n.a.	9,090	8,833	16,174	n.a.	8.2	11.9	—	—
Business failures (number)	1,684	n.a.	35	38	21	n.a.	-6.5	-49.8	—	—
Consumer Price Index (1967=100): U.S. city average	185.3	201.8	—	—	—	—	7.9	—	8.6	—

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

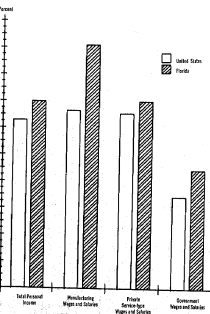
Personal Income

Personal income (seasonally adjusted at annual rates) increased 13.9 percent from 1977:IV to 1978:IV versus 12.6 percent nationally (Table 2). In 1978:IV, Florida's personal income totaled \$67.4 billion, up \$4.6 billion since 1977:IV.

Florida's nonfarm personal income increased 13.6 percent from year to year to 1978:IV, 1.3 percentage points more than nationally. In contrast, since the national business cycle peak in 1973:IV, the State's economy has been at the national rate of gain. Florida's increase from 1973:IV to 1978:IV ranked 33rd in the Nation.

Payroll and salary disbursements (payrolls) in the State increased 13.9 percent from 1977:IV to 1978:IV, compared with 12.6 percent nationally. In 1978:IV, they totaled \$37.8 billion, up \$4.6 billion since 1977:IV.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)



Within Florida's private service-type industry group, payrolls increased more slowly than nationally only in transportation-communication-public utilities—7.7 percent versus 11.3 percent. Florida's increase ranked 44th in the Nation. In finance-insurance-real estate, for which Florida is a major center in the South, payrolls increased 19.3 percent from year to year, the fifth largest increase in the Nation. The national increase was 13.2 percent. Payrolls in trade increased 14.8 percent in the State versus 14.1 percent nationally. Services payrolls, which accounted for almost one-fifth of Florida's total payrolls in 1978:IV, increased 14.0 percent versus 12.7 percent nationally.

Both State and local government and Federal Government payrolls increased faster in Florida than nationally; the former increased 9.3 percent versus 6.8 percent nationally, and the latter increased 8.1 percent versus 7.1 percent nationally.

Manufacturing payrolls also increased faster in the State than nationally. Durables manufacturing payrolls increased 20.5 percent statewide versus 15.2 percent nationally, and nondurables manufacturing payrolls increased 15.1 percent versus 10.0 percent. Florida's increases were among the largest in the Nation.

Payrolls in construction increased 21.1 percent from year to year, 1.0 percentage point more than nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 36.0 percent versus a 30.3-percent decline nationally.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

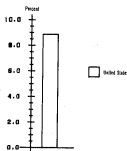


Chart 3.—Total Personal Income
(Seasonally adjusted)

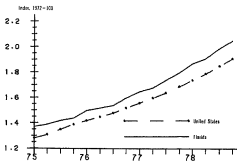


Chart 4.—Industrial Composition of Wages and Salaries: Florida
(Seasonally adjusted)

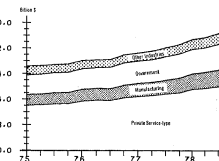


TABLE 2.—Personal Income, United States and Florida Through Fourth Quarter, 1978

	United States			Florida			U.S. State U.S.		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:III—1978:IV
	Millions of dollars, seasonally adjusted at annual rates						Percent change ¹		
Total personal income	1,583,508	1,782,513	57,442	58,181	65,739	67,448	12.4	14.4	12.6
Firm personal income	31,224	39,451	819	1,037	1,556	1,384	47.5	87.8	26.3
Nonfirm personal income	1,552,284	1,743,068	56,624	57,144	64,203	66,064	11.5	13.4	12.3
Total personal income	1,583,508	1,782,513	57,442	58,181	65,739	67,448	12.4	14.4	12.6
Wage and salary disbursements	1,013,216	1,140,686	32,210	33,163	36,657	37,768	12.1	13.9	12.6
Other labor income	96,616	101,719	2,846	2,970	3,383	3,485	17.0	18.2	16.4
Proprietors' income	169,063	125,895	3,045	3,302	4,068	4,063	21.5	33.8	18.9
Net farm	23,636	31,044	404	608	1,070	906	66.6	107.3	31.3
Nonfarm	62,317	94,551	2,640	2,694	2,998	3,067	12.8	13.1	15.3
Dividends, interest, and net income	214,592	242,442	10,023	11,212	12,440	12,858	12.5	13.9	12.8
Transfer payments	215,844	233,750	10,269	10,426	11,325	11,527	8.8	18.2	8.2
State unemployment insurance benefits	13,128	7,753	246	176	119	112	-24.0	-51.7	-30.3
Less: personal contributions	62,212	71,630	1,818	1,859	2,116	2,164	14.8	16.4	15.1
Plus: residence adjustment	-401	-473	-32	-33	-38	-40	---	---	---
Wage and salary disbursements	1,013,216	1,140,686	32,210	33,163	36,657	37,768	12.1	13.9	12.6
Farm	7,736	7,829	373	387	411	431	8.5	10.1	10.8
Nonfarm	1,005,480	1,132,757	31,837	32,776	36,246	37,337	12.1	14.8	12.6
Mining	14,048	18,833	120	116	143	147	26.5	19.2	33.9
Manufacturing	55,648	66,858	2,097	2,147	2,569	2,601	19.1	22.5	20.1
Construction	27,612	302,570	4,385	4,585	5,156	5,417	12.1	18.5	13.3
Durable goods	176,216	203,053	2,431	2,605	2,942	3,139	13.7	21.0	16.7
Non-durable goods	68,896	109,917	1,054	1,380	2,254	2,278	9.4	15.4	16.0
Private service-type	405,704	505,248	17,656	18,147	19,978	20,681	12.8	13.2	13.1
Transportation, communication, and public utilities	76,584	85,264	2,793	2,843	2,923	3,083	10.4	4.7	11.3
Wholesale and retail trade	170,888	195,035	6,545	6,709	7,471	7,699	13.6	14.1	14.1
Finance, insurance, and real estate	14,402	61,453	2,192	2,289	2,546	2,707	14.1	18.0	13.2
Service	163,840	173,396	6,125	6,325	6,958	7,212	12.6	14.2	12.7
Government	201,592	235,863	7,207	7,520	8,057	8,399	7.4	10.5	6.9
Federal	68,375	73,040	2,360	2,526	2,554	2,731	7.3	10.0	7.1
State and local	133,217	142,823	4,846	4,994	5,503	5,668	7.5	10.8	6.8
Other	3,218	3,685	293	261	203	201	18.7	19.8	14.6

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic News Division.

TABLE 3.—Consumer Price Index, United States and Florida Through Fourth Quarter, 1978¹

	United States			Florida			U.S. State U.S.		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:III—1978:IV
	Index, 1967=100, not seasonally adjusted						Percent change		
U.S. city average ²	105.3	201.4	---	---	---	---	7.9	---	6.9

1. Consumer Price indexes are shown for the most relevant SMSAs for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and rounded data are used for subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

from 1977:IV to 1978:IV, Florida's civilian labor force increased 2.9 percent versus 3.1 percent nationally (table 4). Total employment increased 3.8 percent versus 3.9 percent nationally, to 3.5 million.

With employment increasing by 129,000 and the labor force increasing by 105,000, the number of unemployed declined by 24,000, to 245,000. Although Florida's unemployment rate declined 0.9 percentage point from year to year, its 6.5-percent unemployment rate in 1978:IV ranked 11th highest in the Nation. The national unemployment rate in 1978:IV was 6.2 percent, down 0.7 percentage point from the 1977:IV level.

Among Florida's major metropolitan areas, preliminary unemployment rates for December 1978, when the State's rate was 6.4 percent, ranged from 6.6 percent in West Palm Beach-Boca Raton to 5.6 percent in Jacksonville. In Miami and Tampa-St. Petersburg, the State's two largest metropolitan areas, the preliminary unemployment rates were 6.5 percent and 5.9 percent, respectively. In Pensacola, the preliminary rate was 6.2 percent, up 0.8 percentage point since December 1977. Pensacola was the only major metropolitan area in the State to register a year-to-year increase in the unemployment rate.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV Florida

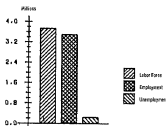


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

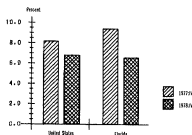


TABLE 4.—Labor Force, United States and Florida Through Fourth Quarter, 1978

	United States			Florida			U.S. State		U.S. State		
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:IV—1978:II		1977:IV—1978:IV		
	Thousands of persons, not seasonally adjusted ¹						Percent change ²				
Employees on nonagricultural payrolls	84,200	87,796	2,630	2,925	2,572	3,069	4.3	5.0	4.2	4.8	
Nonfarm	787	683	0	9	9	9	8.2	1.1	14.2	3.5	
Farm	4,002	4,486	177	183	208	284	10.4	17.2	11.2	15.3	
Working	39,386	39,722	325	384	441	417	3.1	7.4	3.7	6.7	
Manufacturing, construction, and public utilities	4,761	4,971	185	186	182	188	3.8	-1.3	4.4	1.2	
Wholesale and retail trade	39,132	39,615	325	784	783	787	5.3	3.9	4.5	3.0	
Food, drink, and lodging	4,852	4,754	291	201	211	214	4.8	4.9	-2.8	6.7	
Health, insurance, and real estate	15,539	16,215	612	634	659	662	4.6	6.2	4.4	4.2	
Services	15,434	15,654	509	564	549	575	2.1	1.6	1.4	1.6	
Civilian labor force ³	98,581	101,691	3,051	3,636	3,783	3,743	3.2	6.5	3.3	2.9	
Employed	92,442	96,814	3,283	3,369	3,058	3,498	4.1	7.2	1.9	3.8	
Unemployed	6,149	5,695	268	269	285	245	-3.8	-1.2	-6.8	-9.0	
Unemployment rate	6.2	5.5	7.6	7.4	7.0	6.5					

¹Detail may not add to totals because of rounding.

²Based on unrounded data.

³Beginning January 1978, these data are being estimated by new methods, using more current data. This is a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

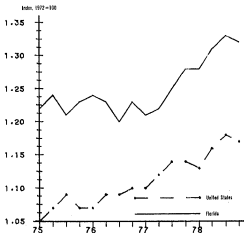


Chart 8.—Civilian Employment

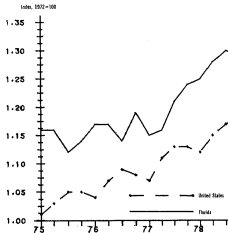


Chart 9.—Unemployment Rate

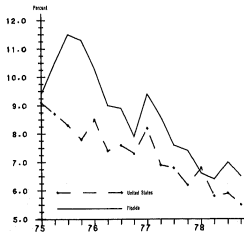
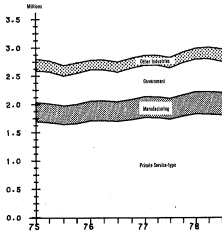


Chart 10.—Industrial Composition of Nonagricultural Employment: Florida



STATE QUARTERLY ECONOMIC DEVELOPMENTS

Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Florida Through Fourth Quarter, 1978

	United States			Florida			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:IV	1977:IV	1978:III	1978:IV	1977:III— 1978:II		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted ^a						Percent change ^b			
Total loans	\$10,502	n.a.	14,790	15,646	17,563	n.a.	16.3	18.7	---	---
Commercial and industrial	196,317	n.a.	1,487	3,715	3,891	n.a.	14.1	11.6	---	---
Real estate	148,581	n.a.	4,597	5,251	5,050	n.a.	28.2	21.1	---	---
Auto	177,635	n.a.	5,479	5,755	5,655	n.a.	19.9	22.2	---	---
Other	181,236	n.a.	2,454	2,581	3,128	n.a.	21.3	27.2	---	---
Consumer	7,731	n.a.	140	148	150	n.a.	10.7	7.2	---	---
Existing and estate	68,969	n.a.	2,685	3,025	3,424	n.a.	19.0	18.7	---	---
Other	29,714	n.a.	155	168	148	n.a.	6.9	-5.0	---	---
Other	69,947	n.a.	672	758	780	n.a.	8.0	16.0	---	---
Total deposits	\$25,613	n.a.	27,285	29,702	30,548	n.a.	31.5	11.0	---	---
Time	377,683	n.a.	16,668	12,947	12,430	n.a.	10.2	16.5	---	---
Other	347,628	n.a.	16,627	17,255	18,118	n.a.	12.3	9.0	---	---

^a May not add to totals because of rounding.
^b Based on unrounded data.
^c U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 29.1 percent (\$581.3 million), to \$2.6 billion (table 6). Florida's increase ranked tenth in the Nation and compared with a national increase of 16.8 percent. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the real increase in the total valuation of contracts in Florida was about 16 percent versus about 4 percent nationally.

Residential housekeeping contracts increased 47.6 percent in valuation, compared with 15.6 percent nationally. Florida's increase ranked fifth in the Nation. In 1978:IV, a \$102 million contract for the construction of one-family houses in Lee County raised the valuation of residential housekeeping contracts in the State to an unusually high level, thereby distorting the year-to-year change. If the contract is excluded, the

valuation of residential housekeeping contracts would have increased 36.0 percent. The number of dwelling units started increased 16.0 percent, the third largest increase after West Virginia's and Hawaii's. In 1978:IV, 40,298 dwelling units were started, up 10,628 units from 1977:IV. In contrast, the number of dwelling units started in the Nation remained almost unchanged at a high level. Residential housekeeping additions and alterations in Florida increased 20.2 percent in valuation compared with 14.6 percent nationally.

Nonresidential contracts increased 17.0 percent in valuation, compared with 15.8 percent nationally. Nonbuilding contracts, in contrast, declined 6.2 percent in valuation, compared with a 22.2-percent national increase. Street and highway contracts, a component of nonbuilding contracts, declined 40.2 percent in valuation versus a 16.3-percent decline nationally.

Chart 14.—Construction Contracts—Total Valuation

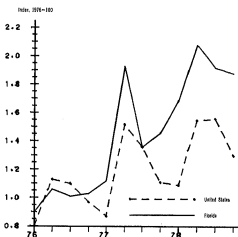


Chart 15.—Construction Contracts—Value of Contracts by Type: Florida

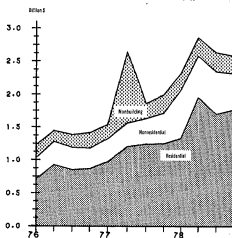


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

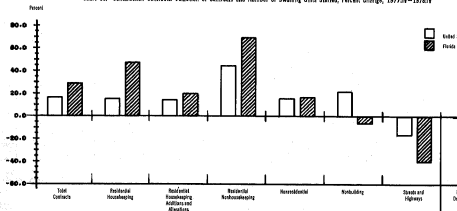


TABLE 6.—Construction Contracts, United States and Florida Through Fourth Quarter, 1978¹

	United States		Florida			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1978:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	
	Not seasonally adjusted					Percent change ²			
Total value of contracts	38,913,311	45,459,770	1,858,860	2,000,896	2,625,458	2,082,028	14.5	41.8	38.8 29.1
Accidental housekeeping, additions and alterations	7,767,587	8,832,353	267,359	288,703	362,747	347,094	16.8	28.2	14.6 29.2
All other contracts									
Number of contracts	62,793	56,928	3,812	4,134	3,858	2,552	4.4	-1.6	-8.3 -13.7
Value (thousands of dollars)	31,205,124	36,527,420	1,573,597	1,711,903	2,272,104	2,234,934	14.0	44.6	17.4 30.5
Floor area (thousands of square feet)	881,453	971,596	56,382	58,368	74,160	78,511	10.8	30.6	10.2 38.0
Residential housekeeping									
Number of contracts	34,825	14,102	342	746	805	888	-5.1	9.8	-4.3 8.2
Number of dwelling units	448,772	443,075	29,345	29,670	41,032	40,289	1.0	40.3	-0.6 35.8
Value (thousands of dollars)	14,873,596	17,158,518	942,217	951,874	1,323,749	1,405,236	15.3	40.5	15.6 47.6
Floor area (thousands of square feet)	573,793	641,706	38,817	38,733	54,509	57,474	16.3	36.7	10.7 44.7
Residential nonhousekeeping									
Number of contracts	587	505	49	55	43	49	-10.6	-12.2	-4 -10.9
Value (thousands of dollars)	338,637	480,279	18,981	18,038	18,878	18,400	9.4	11.7	44.8 49.8
Floor area (thousands of square feet)	8,467	10,563	639	362	597	491	-7	-6.6	24.7 35.8
Nonresidential									
Number of contracts	38,758	27,055	2,500	2,544	2,114	2,056	-2.8	-15.4	-12.0 -19.2
Value (thousands of dollars)	9,334,415	10,810,765	388,124	468,027	640,275	547,586	27.6	84.8	19.8 17.0
Floor area (thousands of square feet)	232,353	319,249	18,228	18,303	33,804	20,546	12.2	17.1	8.9 26.0
Nonbuilding									
Number of contracts	26,791	15,175	621	767	878	639	22.4	41.4	-8.1 -16.7
Value (thousands of dollars)	8,652,476	6,122,854	221,115	281,154	288,615	263,710	-1	20.6	22.2 -6.2
Streets and highways									
Number of contracts	4,986	4,899	165	235	249	205	9.3	50.9	-17.8 -12.8
Value (thousands of dollars)	2,708,981	1,991,341	94,504	151,827	83,833	56,832	3.0	-1.8	-16.3 -40.2

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Data for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Florida totaled almost \$9.9 billion in 1978:IV, up 14.2 percent (\$1.2 billion) since 1977:IV, compared with an 11.2-percent national increase (table 7). In 1978:IV, nondurable goods accounted for over \$6.3 billion, and durable goods accounted for over \$3.5 billion.

TABLE 7.—Retail Sales, United States and Florida Through Fourth Quarter, 1978

	United States		Florida			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1978:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted					Percent change			
Retail sales	197,634	219,028	7,872	8,664	6,661	8,899	10.3	12.9	31.2 14.2
Durable goods	82,665	71,573	n.a.	n.a.	3,195	3,542	11.8	—	15.3 —
Nondurable goods	134,969	147,457	n.a.	n.a.	3,466	5,357	9.6	—	9.2 —

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Florida Through Fourth Quarter, 1978

	United States		Florida			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1978:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	
	Not seasonally adjusted					Percent change			
New business incorporations	309,411	n.a.	9,098	8,933	10,174	n.a.	8.2	11.8	— —
Total number of business failures	1,684	n.a.	35	38	21	n.a.	-9.5	-49.9	— —
Asset liquidations (thousands of dollars)	884,296	n.a.	12,128	9,443	3,768	n.a.	-44.2	-68.8	— —
Average liability per failure (thousands of dollars)	288	n.a.	347	170	180	n.a.	-38.4	-48.1	— —
Business failures by industry									
Mining and manufacturing	248	n.a.	2	9	2	n.a.	-10.3	93.0	— —
Construction	319	n.a.	2	5	5	n.a.	1.8	150.0	— —
Wholesale trade	151	n.a.	6	7	2	n.a.	-27.3	-65.7	— —
Retail trade	189	n.a.	23	12	9	n.a.	-4.2	-60.9	— —
Commercial services	238	n.a.	2	4	2	n.a.	-24.9	0	— —

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

- Personal income** —Up 11.3% vs. 12.6% in U.S., to \$35.3 billion
 —Private service-type payrolls up 9.0% vs. 13.1% in U.S.
- Consumer prices** —Up 7.8% in Atlanta vs. 8.9% in U.S.
- Employment** —Up 3.3% vs. 3.9% in U.S., to 2.2 million
- Unemployment** —Down 10,000, to 138,000
 —Rate down to 5.9% of labor force vs. 5.5% U.S. rate
- Construction** —Total valuation of contracts up 10.1% vs. 16.8% in U.S., to \$1.0 billion
 —Valuation of nonbuilding contracts down 40.8% vs. 22.2% increase in U.S.
 —Number of dwelling-unit starts up 9.8% vs. near stability in U.S., to 10,941

TABLE 1.—Summary of Economic Indicators, United States and Georgia Through Fourth Quarter, 1978

	United States			Georgia			U.S.	State	U.
	1977:IV	1978:IV	1978:II	1977:IV	1978:III	1978:IV	1977:II—1978:II		
	All indicators, except income, not seasonally adjusted						Percent change		
Total personal income (millions of dollars)	1,583,588	1,782,519	20,652	31,734	34,386	35,223	12.4	12.2	1
Total wages and salaries (millions of dollars)	1,013,236	1,140,696	21,020	21,887	23,156	23,832	12.1	10.2	1
Civilian employment (thousands)	92,442	96,010	2,131	2,143	2,284	2,212	4.1	3.5	—
Unemployment (thousands)	6,148	5,605	161	148	144	138	-9.8	-16.6	—
Percent unemployed (unemployment/labor force)	6.2	5.5	7.0	6.5	6.1	5.9	—	—	—
Total loans (millions of dollars)	616,562	n.a.	8,923	10,132	10,791	n.a.	16.3	8.7	—
Total deposits (millions of dollars)	925,531	n.a.	13,722	14,583	15,206	n.a.	11.5	16.8	—
Total valuation of construction contracts (thousands of dollars)	38,912,111	45,456,779	3,231,708	615,495	1,083,365	1,087,683	14.5	-66.5	1
Dwelling units started (number)	445,772	443,075	13,051	9,963	12,574	10,941	1.0	-2.7	—
Total retail sales (millions of dollars)	197,630	218,829	n.a.	n.a.	n.a.	n.a.	10.3	—	1
New business incorporations (number)	108,411	n.a.	2,495	2,593	2,778	n.a.	8.2	13.3	—
Business failures (number)	1,684	n.a.	44	21	28	n.a.	-9.5	-36.4	—
Consumer Price Index (1967=100):									
U.S. city average	185.3	205.0	—	—	—	—	7.9	—	—
Atlanta	—	—	183.8	184.5	195.2	198.8	—	6.7	—

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

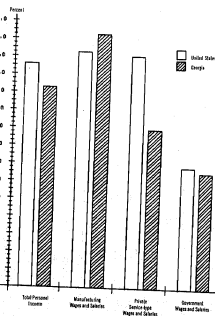
Personal Income

Total personal income (seasonally adjusted at annual rates) increased 11.3 percent from 1977:IV to 1978:IV, 1.3 percentage points less than nationally (table 2). In 1978:IV, the State's personal income totaled \$35.3 billion, up \$3.6 billion since 1977:IV.

Georgia's increase in personal income would have been smaller had it not been for a 62.7-percent increase in farm personal income, compared with a 26.3-percent national gain. Nonfarm personal income in the State increased only 10.4 percent from year to year, almost 2 percentage points less than nationally. Since the last national business cycle peak in 1973:IV, Georgia's economy has grown more slowly than the Nation's; the increase in the State's nonfarm income was 5 percent less than nationally, ranking Georgia 39th among all States.

From 1977:IV to 1978:IV, the Consumer Price Index for the Atlanta metropolitan area increased 7.8 percent versus an 8.9-percent national city average increase (table 3). If Atlanta's index is used as an indicator for price movements in the State, real total personal income in Georgia decreased between 3 and 4 percent from year to year, the same as nationally.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)



Wage and salary disbursements (payrolls) increased only 9.9 percent in the State, compared with a 12.6-percent national increase. Georgia's increase ranked 48th in the Nation, ahead of smaller increases in New York and the District of Columbia and a fractional decline in Alaska. In 1978:IV, payrolls totaled \$23.8 billion in the State, up \$2.1 billion since 1977:IV.

All components of Georgia's private service-type industry group increased more slowly than nationally, with State increases in all four components ranking among the smallest in the Nation. Trade payrolls, which accounted for almost one-fifth of Georgia's total payrolls in 1978:IV, increased 9.8 percent from year to year, compared with a 14.1-percent national increase. Payrolls in transportation-communication-public utilities increased only 7.1 percent in the State versus 11.3 percent nationally. Services payrolls increased 8.7 percent versus 12.7 percent nationally, and payrolls in finance-insurance-real estate increased 9.9 percent versus 13.2 percent nationally.

Construction payrolls increased only 9.9 percent in Georgia, less than one-half of the national increase. Among all States, only Arkansas registered a smaller increase, and West Virginia and Alaska registered declines.

In government, Federal payrolls increased 4.2 percent in Georgia, one of the smallest increases in the Nation, compared with 7.1 percent nationally. In contrast, State and local government payrolls increased 8.4 percent in Georgia, 1.6 percentage points more than nationally.

In contrast to most of Georgia's major industries, manufacturing payrolls increased more rapidly in the State than nationally—14.3 percent versus 13.3 percent. Georgia's increase represented a gain of \$765 million, and this accounted for over one-third of the total year-to-year payroll gain in the State. Nondurables manufacturing payrolls increased 12.3 percent versus 10.0 percent nationally, and durables manufacturing payrolls increased 17.6 percent versus 15.2 percent nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 17.7 percent in Georgia versus a decline of 30.3 percent nationally.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

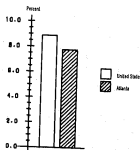


Chart 3.—Total Personal Income
(Seasonally adjusted)

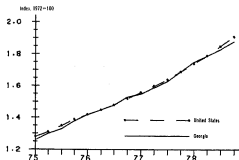


Chart 4.—Industrial Composition of Wages and Salaries: Georgia
(Seasonally adjusted)

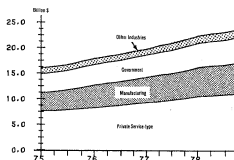


TABLE 2.—Personal Income, United States and Georgia Through Fourth Quarter, 1978

	United States			Georgia			U.S. State U.S.		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²		
Total personal income	1,583,508	1,782,519	39,852	31,734	34,386	25,323	12.4	12.2	12.6
Form personal income	31,224	35,451	512	325	855	880	47.9	174.1	26.3
Nonform personal income	1,552,284	1,747,068	39,340	31,409	33,530	34,443	11.9	10.5	12.3
Total personal income	1,583,508	1,782,519	39,852	31,734	34,386	25,323	12.4	12.2	12.6
Wage and salary disbursements	1,032,216	1,140,606	21,620	21,687	23,156	23,832	12.1	10.2	12.6
Other labor income	96,016	111,715	1,694	1,919	2,131	2,280	17.6	14.8	16.4
Proprietor income	395,323	425,995	1,674	1,895	2,294	2,342	21.5	40.3	18.9
Farm	23,636	31,044	754	368	683	679	66.6	344.2	31.3
Nonfarm	82,317	94,951	1,479	1,489	1,612	1,663	12.8	3.6	15.3
Dividends, interest, and rent	24,992	247,442	3,402	3,481	3,805	3,911	12.3	15.9	12.8
Transfer payments	25,344	233,750	4,121	4,173	4,375	4,588	6.8	5.8	6.2
State unemployment insurance benefits	11,126	7,763	163	145	127	119	-24.0	-18.0	-30.3
Less: personal contributions	82,713	71,610	1,276	1,264	1,434	1,458	14.8	12.4	15.1
Plus: residence adjustment	-401	-473	-54	-96	-52	-35	---	---	---
Wage and salary disbursements	1,032,216	1,140,606	21,620	21,687	23,156	23,832	12.1	10.2	12.6
Farm	2,176	7,939	155	156	169	177	6.0	8.6	10.6
Nonfarm	1,030,040	1,132,757	20,865	21,528	22,986	23,655	12.1	10.2	12.6
Mining	14,048	18,613	95	91	110	114	26.5	15.8	32.9
Construction	55,648	68,458	1,065	1,068	1,168	1,173	15.1	9.7	20.1
Manufacturing	276,112	312,519	5,717	5,264	5,826	6,119	12.1	11.7	12.3
Durable goods	176,218	203,653	1,946	2,020	2,173	2,276	12.7	12.8	15.2
Non-durable goods	99,894	108,867	3,771	3,244	3,653	3,743	5.4	11.5	18.0
Private service-type	455,184	515,248	9,959	10,703	16,911	11,118	12.8	10.7	15.1
Transportation, communication, and public utilities	76,584	85,284	1,890	1,971	2,074	2,111	10.4	5.7	11.3
Wholesale and retail trade	170,888	195,025	4,099	4,215	4,545	4,630	13.6	10.9	14.1
Finance, insurance, and real estate	54,452	61,652	1,109	1,152	1,243	1,286	14.1	11.2	13.2
Services	153,849	173,286	2,752	2,860	3,048	3,110	12.6	10.8	12.7
Government	291,252	295,383	4,558	4,745	4,980	5,060	7.4	7.3	6.3
Federal	58,176	73,267	1,263	2,063	2,050	2,148	7.3	4.4	7.1
State and local	133,076	142,840	2,693	2,682	2,930	2,912	7.5	8.5	8.8
Other	3,216	3,585	63	64	73	72	18.7	15.7	14.6

1. Data may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measures Division.

TABLE 3.—Consumer Price Index, United States and Georgia Through Fourth Quarter, 1978¹

	United States			Georgia			U.S. State U.S.		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	
	Index, 1967=100, all seasonally adjusted						Percent change		
U.S. city average	185.3	201.8	---	---	---	---	7.5	---	8.5
Atlanta	---	---	183.0	184.5	195.2	198.0	---	6.7	---

1. Consumer price indexes are shown for the most relevant SMSAs for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and rounded data are used for subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Georgia's civilian labor force increased 2.7 percent versus 3.1 percent nationally (table 4). Total employment increased 3.3 percent versus 3.9 percent nationally, to 2.2 million.

With employment increasing by 71,000 and the labor force increasing by 61,000, the number of unemployed declined by 10,000, to 138,000. Georgia's unemployment rate declined 0.6 percentage point, to 5.9 percent of the labor force. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Among Georgia's major metropolitan areas, preliminary unemployment rates for December 1978, when the State's rate was 5.7 percent, ranged from 6.4 percent in Columbus, Macon, and Savannah to 5.5 percent in Augusta. In Atlanta, which accounted for almost two-fifths of the State's total labor force in 1978:IV, the preliminary unemployment rate in December 1978 was 5.7 percent. From December 1977 to December 1978, the unemployment rate declined 2.3 percentage points in Macon, compared with a decline of only 0.4 percentage point statewide; Macon's decline was the largest among the State's major metropolitan areas.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Georgia

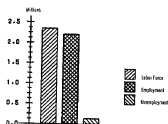


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

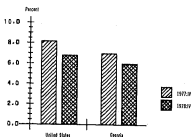


TABLE 4.—Labor Force, United States and Georgia Through Fourth Quarter, 1978

	United States			Georgia			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:III-1978:II	1977:IV-1978:IV		
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
CIVILIAN LABOR FORCE	84,210	87,734	1,096	1,325	1,549	1,967	4.3	2.3	4.2	2.9
EMPLOYMENT	787	899	7	7	8	7	8.2	5.6	14.2	4.2
UNEMPLOYMENT	4,032	4,488	92	91	100	99	10.4	8.9	11.3	8.2
UNEMPLOYMENT RATE	19,386	20,722	491	494	501	506	3.1	2.0	3.7	2.6
MALE	4,781	4,971	120	121	129	125	3.8	4.9	4.4	3.8
FEMALE	19,157	20,015	436	446	445	453	5.3	2.1	4.5	1.5
WHITE	4,852	4,756	100	100	102	98	4.6	1.7	-2.0	2.5
BLACK	17,538	18,215	206	203	208	207	4.6	1.0	4.4	1.2
ASIAN	15,434	15,856	286	283	312	303	2.1	1.7	1.4	-1.1
Hispanic or Latino	98,591	101,615	2,791	2,789	2,944	2,750	3.2	2.5	3.1	2.7
Other	92,442	96,010	2,131	2,040	2,204	2,292	4.1	3.5	3.9	3.3
Unemployed	6,149	5,825	161	148	144	138	-9.8	-10.8	-8.8	-6.7
Unemployed	6.2	5.6	7.6	6.5	6.1	5.9				

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This is a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

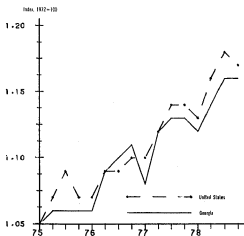


Chart 8.—Civilian Employment

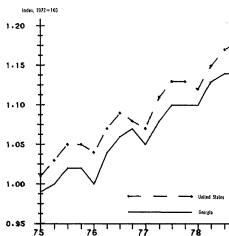


Chart 9.—Unemployment Rate

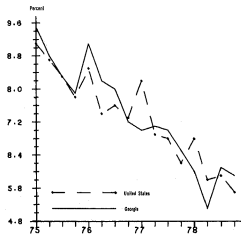


Chart 10.—Industrial Composition of Manpower Employment: Georgia

Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Georgia Through Fourth Quarter, 1978

	United States			Georgia			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:II— 1978:II		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	616,542	n.a.	5,923	30,132	14,793	n.a.	16.3	8.7	—	—
Commercial and industrial	196,317	n.a.	2,631	2,745	2,903	n.a.	14.2	30.3	—	—
Loans to individuals	140,559	n.a.	3,397	3,497	3,847	n.a.	29.2	13.2	—	—
Mortgage	177,525	n.a.	2,895	2,935	3,125	n.a.	19.9	7.9	—	—
Residential	101,238	n.a.	1,206	1,271	1,438	n.a.	21.3	16.8	—	—
Other	7,731	n.a.	347	333	340	n.a.	18.7	-2.1	—	—
Real estate, excluding real estate	68,946	n.a.	1,343	1,339	1,377	n.a.	19.3	2.5	—	—
Real estate	25,704	n.a.	349	303	311	n.a.	6.8	-10.6	—	—
Real estate	49,947	n.a.	619	651	685	n.a.	8.0	-8.5	—	—
Total deposits	828,511	n.a.	13,722	14,983	15,295	n.a.	11.5	18.9	—	—
Time	377,683	n.a.	6,452	7,105	7,130	n.a.	10.2	10.5	—	—
Time and savings	547,628	n.a.	7,270	7,438	8,065	n.a.	12.3	11.2	—	—

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 10.1 percent (\$92.3 million), to \$1.0 billion (table 6). The national increase was 16.8 percent. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the total valuation of construction sustained a real decline of about 3 percent versus a real increase of about 4 percent nationally.

Nonbuilding contracts declined 40.8 percent in valuation versus a 22.2 percent national increase. Georgia's decline was one of the largest in the Nation. The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 50.0 percent, three times the national decline.

Residential housekeeping contracts increased 15.5 percent in value about the same as nationally. The number of dwelling units started increased 9.8 percent (978 units), to 10,941 units. National number of dwelling units started was almost unchanged at a high Contracts for residential housekeeping additions and alter increased 27.8 percent in valuation, almost twice as much as nation

Nonresidential contracts increased 27.4 percent in valuation versus percent nationally. In 1978:IV, the valuation of these contracts t \$314.7 million in the State, including \$53 million for the construct a paper plant in Chatham County.

Chart 14.—Construction Contracts—Total Valuation

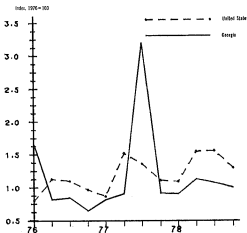


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Georgia

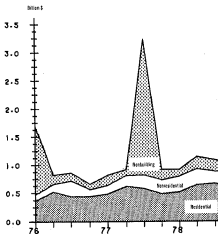


Chart 16.—Construction Contracts Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

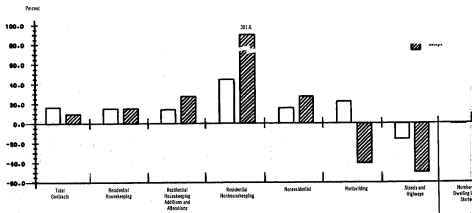


TABLE 6.—Construction Contracts, United States and Georgia Through Fourth Quarter, 1978¹

	United States			Georgia			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:III—1978:III	1977:IV—1978:IV
	Not seasonally adjusted						Percent change ²			
Total value of contracts	38,913,138	45,458,773	3,231,706	915,485	1,083,365	1,037,683	14.5	-48.5	15.8	10.1
Residential housing, additions and alterations	2,787,987	8,832,353	176,338	151,819	289,743	198,563	16.8	18.9	34.5	27.8
All other contracts										
Number of contracts	62,789	56,588	1,526	1,810	1,834	1,576	4.4	-8.5	-9.3	-12.9
Value (thousands of dollars)	31,285,124	36,827,429	1,855,372	751,586	873,822	811,120	14.0	-71.4	17.4	8.5
Floor area (thousands of square feet)	881,453	971,506	25,059	23,457	27,415	25,458	16.8	9.5	10.2	8.5
Residential housing:										
Number of contracts	14,825	14,182	588	516	559	567	-5.1	-1.6	-4.3	5.8
Value (thousands of dollars)	445,272	413,675	13,058	9,863	12,574	10,941	1.0	-3.7	-6	9.8
Floor area (thousands of square feet)	148,79,596	17,198,518	405,173	336,170	444,674	381,979	15.3	9.7	15.6	15.5
Residential nonhousing:										
Number of contracts	509	545	5	8	23	18	-10.0	355.6	-4	129.0
Value (thousands of dollars)	338,817	459,276	816	1,069	14,745	6,887	9.4	***	44.8	301.6
Floor area (thousands of square feet)	8,467	10,540	14	16	224	198	-7	***	24.7	928.2
Nonresidential:										
Number of contracts	38,756	22,055	721	767	822	715	-2.5	14.9	-12.0	-5.8
Value (thousands of dollars)	9,334,415	10,810,789	344,277	247,024	213,983	314,683	27.6	-12.4	15.8	27.4
Floor area (thousands of square feet)	293,251	319,240	6,529	6,735	8,157	8,768	22.2	17.7	8.9	4
Nonbuilding:										
Number of contracts	16,701	16,176	622	496	438	376	22.4	-28.5	-9.1	-44.7
Value (thousands of dollars)	6,652,476	4,107,854	2,160,025	1,621,132	290,228	107,791	-1	-91.7	22.2	-40.8
Streets and highways	4,986	4,989	431	277	186	181	9.3	-61.5	-17.8	-63.5
Value (thousands of dollars)	2,338,684	7,911,241	113,756	92,824	49,859	46,457	3.0	-56.4	-16.3	-55.0

***Percent change greater than 999.9.

1. Contracts started or expected to start within 60 days.

2. Percent change for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Total for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Georgia are not available.

TABLE 7.—Retail Sales, United States and Georgia Through Fourth Quarter, 1978

	United States			Georgia			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:III—1978:III	1977:IV—1978:IV
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	157,630	219,029	n.a.	n.a.	n.a.	n.a.	16.2	---	11.2	---
Durable goods	92,885	71,573	n.a.	n.a.	n.a.	n.a.	11.8	---	15.3	---
Non-durable goods	124,965	147,447	n.a.	n.a.	n.a.	n.a.	9.4	---	9.2	---

a: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Georgia Through Fourth Quarter, 1978

	United States			Georgia			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:III—1978:III	1977:IV—1978:IV
	Not seasonally adjusted						Percent change			
New business incorporations	105,411	n.a.	2,495	2,283	2,778	n.a.	6.2	33.3	---	---
Total number of business failures	3,884	n.a.	44	21	28	n.a.	-4.2	-35.4	---	---
Value (thousands of dollars)	454,296	n.a.	2,187	5,551	13,381	n.a.	-44.2	85.9	---	---
Value per failure (thousands of dollars)	288	n.a.	164	265	478	n.a.	-38.4	191.5	---	---
Business failures by industry										
Manufacturing	348	n.a.	5	2	3	n.a.	-10.3	-48.0	---	---
Wholesale trade	181	n.a.	14	3	6	n.a.	1.8	-42.9	---	---
Retail trade	686	n.a.	9	4	3	n.a.	-27.1	-55.7	---	---
Service	228	n.a.	10	5	13	n.a.	-4.2	30.0	---	---
Other	228	n.a.	5	3	1	n.a.	-24.0	-83.3	---	---

a: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income	—Up 9.8% vs. 12.6% in U.S., to \$7.7 billion —Trade payrolls up 9.1% vs. 14.1% in U.S. —Services payrolls up 3.7% vs. 12.7% in U.S.
Consumer prices	—Up 8.6% in Honolulu vs. 8.9% in U.S.
Employment	—Up 0.9% vs. 3.9% in U.S., to 376,000
Unemployment	—Up 3,000, to 32,000 —Rate up 0.5 percentage point, to 7.8% of labor force vs. 5.5% in U.S.
Construction	—Total valuation of contracts up 58.6%, largest gain in U.S., vs. 16.8% nationally, to \$236 million —Number of dwelling-unit starts doubled vs. near stability in U.S., to 2,773

TABLE 1.—Summary of Economic Indicators, United States and Hawaii Through Fourth Quarter, 1978

	United States			Hawaii			U.S.	State	U.S.
	1977:IV	1978:IV	1977:II	1977:IV	1978:III	1978:IV	1977:III - 1978:III		%
	All indicators, except income, not seasonally adjusted						Percent change		
Total personal income (millions of dollars)	1,583,508	1,762,519	8,819	7,639	7,473	7,721	12.4	9.8	12.
Total wages and salaries (millions of dollars)	1,013,236	1,140,994	4,845	4,745	6,048	6,356	12.1	9.1	12.
Civilian employment (thousands)	92,442	98,011	380	373	376	376	4.1	-1.0	3.
Unemployment (thousands)	1,148	5,495	29	29	31	32	-5.8	7.9	-6.
Percent unemployed (unemployment/labor force)	5.2	5.5	7.3	7.3	7.7	7.8	---	---	---
Total loans (millions of dollars)	816,562	n.a.	2,815	2,090	2,384	n.a.	16.7	18.3	---
Total deposits (millions of dollars)	925,611	n.a.	3,118	3,201	3,515	n.a.	11.5	12.8	---
Total valuation of construction contracts (thousands of dollars)	38,913,111	45,458,773	152,730	148,357	229,403	236,399	14.5	43.4	18.
Dwelling units started (number)	445,772	442,075	1,418	1,340	1,647	2,773	1.0	16.1	---
Total retail sales (millions of dollars)	197,839	215,029	n.a.	n.a.	n.a.	n.a.	10.3	---	11.
New business incorporations (number)	109,411	n.a.	875	857	727	n.a.	8.2	7.7	---
Business failures (number)	1,864	n.a.	8	6	8	n.a.	-5.5	---	---
Consumer Price Index (1967=100):									
U.S. city average	195.3	201.8	---	---	---	---	7.9	---	---
Honolulu	---	---	173.4	174.9	186.9	190.6	---	7.3	---

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Hawaii increased 9.8 percent from 1977:IV to 1978:IV, to \$7.7 billion (table 2). The rate of gain lagged the Nation's 12.6-percent rate of gain and was lower in only three States. Consumer prices in the Honolulu metropolitan area increased 8.6 percent versus 8.9 percent nationally (table 3). If this increase is used as an indicator for price increases throughout the islands, real total personal income increased 1.2 percent from year to year, compared with 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 10.6 percent, to \$5.2 billion. Payrolls in two of the State's major industries—trade and services—registered gains that lagged those of national counterparts and that were among the smallest among all States. Trade payrolls

increased 9.1 percent, compared with 14.1 percent nationally, to \$835 million. Services payrolls increased 3.7 percent, compared with 12.7 percent nationally, to \$864 million.

Construction payrolls increased 35.1 percent, an increase that was 15 percentage points above the Nation's average increase and that was larger only in Nevada and Arizona. The State's large gain was from an unusually low level in 1977:IV, when construction workers were on strike for two and one-half months. Nondurables manufacturing payrolls increased 17.3 percent, one of the largest gains in the Nation and well above the 10.0-percent national gain.

Transportation-communication-public utilities payrolls increased 13.7 percent, compared with a national increase of 11.3 percent. Finance-insurance-real estate payrolls increased 14.5 percent, leading the Nation's 13.2-percent gain. While State and local government payrolls increased 6.9 percent, about the same as nationally, Federal Government payrolls increased 9.3 percent, over 2 percentage points more than nationally.

State unemployment insurance benefits declined 54.5 percent, from \$62 million in 1977:IV to \$28 million in 1978:IV; only Connecticut registered a larger decline.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
(Seasonally adjusted)

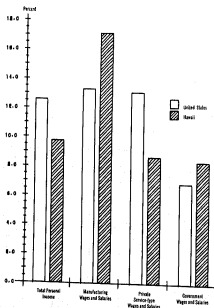


Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

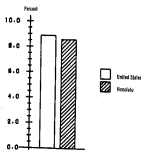


Chart 3.—Total Personal Income
(Seasonally adjusted)

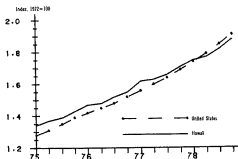


Chart 4.—Industrial Composition of Wages and Salaries: Hawaii
(Seasonally adjusted)

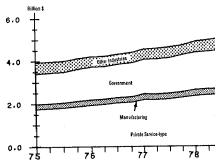


TABLE 2.—Personal Income, United States and Hawaii Through Fourth Quarter, 1978

	United States			Hawaii			U.S. State U.S.		
	1977:IV	1978:IV	1977:III	1977:IV	1978:II	1978:IV	1977:III—1978:II		
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²		
Total personal income	1,583,588	1,782,519	8,819	7,839	7,473	7,721	12.4	8.5	12.4
Factor personal income	31,324	38,451	179	229	168	176	47.9	-1.2	36.3
Nonfactor personal income	1,552,264	1,744,068	6,640	7,610	7,305	7,545	11.3	8.9	12.3
Total personal income	1,583,588	1,782,519	8,819	7,839	7,473	7,721	12.4	8.5	12.4
Wage and salary disbursements	1,012,216	1,140,996	4,645	4,745	5,068	5,299	12.1	9.1	12.6
Other labor receipts	86,816	111,719	324	333	387	386	17.0	13.5	14.4
Proprietors' income	105,352	125,995	288	341	305	318	21.5	6.0	18.9
Farm	23,836	31,044	17	89	2	2	46.6	-87.2	31.3
Nonfarm	82,317	94,951	271	372	303	316	12.6	11.8	19.1
Dividends, interest, and rent	214,592	242,442	184	1,007	1,108	1,142	10.3	12.4	17.8
Transfer payments	115,044	233,750	879	826	947	962	8.8	8.9	8.2
State unemployment insurance benefits	11,120	7,753	63	62	32	38	-24.0	-36.7	-30.3
Less: personal contributions	82,212	71,610	293	293	323	321	14.8	10.2	15.1
Plus: residence adjustment	-401	-473	0	0	0	0	---	---	---
Wage and salary disbursements	1,012,216	1,140,996	4,645	4,745	5,068	5,299	12.1	9.1	12.6
Farm	7,176	7,839	139	144	158	158	8.5	7.9	10.8
Nonfarm	1,005,040	1,132,757	4,506	4,601	4,910	5,094	12.1	9.1	12.6
Mining	14,648	18,813	0	0	0	0	24.5	---	33.9
Construction	95,448	88,818	330	291	375	383	19.1	13.4	28.1
Manufacturing	276,112	312,570	383	250	270	253	12.1	2.8	11.8
Durable goods	176,218	203,853	142	64	95	75	13.7	10.5	15.2
Non-durable goods	99,894	108,717	201	186	265	218	9.4	4.1	10.0
Private service-type	495,764	515,349	2,209	2,389	2,429	2,502	17.8	9.1	13.1
Transportation, communication, and public utilities	35,594	85,264	403	406	449	462	10.4	11.2	13.1
Retail	173,888	195,035	750	785	818	838	13.6	9.1	14.3
Finance, insurance, and real estate	54,482	61,553	268	298	332	342	14.1	23.6	13.2
Services	153,840	173,396	866	843	821	864	12.5	3.1	12.2
Government	201,282	215,043	1,885	1,737	1,825	1,862	7.4	9.3	6.5
Federal	98,176	112,003	1,002	1,061	1,107	1,119	7.3	10.5	7.1
State and local	103,075	103,040	883	676	718	743	7.5	7.5	6.7
Other	3,719	1,585	70	21	24	34	18.7	19.9	14.0

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Division.

TABLE 3.—Consumer Price Index, United States and Hawaii Through Fourth Quarter, 1978¹

	United States			Hawaii			U.S. State U.S.		
	1977:IV	1978:IV	1977:III	1977:IV	1978:II	1978:IV	1977:III—1978:II		
	Index, 1967=100, not seasonally adjusted						Percent change		
U.S. city average	185.3	201.8	---	---	---	---	7.5	---	---
Honolulu	---	---	173.4	174.9	188.9	198.3	---	7.3	---

1. Consumer Price Indexes are shown for the most relevant SMDA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and rounded data for subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Hawaii's civilian labor force increased 1.6 percent, or about one-half of the Nation's average advance (table 4). Total employment increased from 373,000 to 376,000, a 0.9-percent advance. The advance was one of the smallest in the Nation and was 3 percentage points below the national average advance.

With employment increasing by only 3,000 and the labor force increasing by 6,000, the number of unemployed increased by 3,000. Hawaii's unemployment rate increased 0.5 percentage point, to 7.8

percent of the labor force, a rate matched in the District of Columbia and exceeded only in Alaska. In contrast, the Nation's unemployment rate declined 0.7 percentage point, to 5.5 percent.

Across the islands, unemployment rates varied somewhat. According to preliminary data for December 1978, the unemployment rate on Oahu was 7.0 percent. The average rate for all of the other islands was 8.1 percent. The preliminary State rate was 7.2 percent.

Chart 5—Labor Force, Employment, and Unemployment, 1978:IV, Hawaii

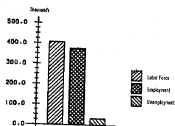


Chart 6—Unemployment Rates, 1977:IV–1978:IV

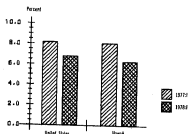


TABLE 4.—Labor Force, United States and Hawaii Through Fourth Quarter, 1978

	United States						Hawaii		U.S.	State	P.S.	State
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:II— 1978:II		1977:IV— 1978:IV			
	Thousands of persons, not seasonally adjusted ^a							Percent change ^b				
Employees on nonagricultural payrolls	84,218	87,788	360	354	367	368	4.3	2.6	4.2	2.8		
and services	16,236	17,114	85	86	88	90	—	3.3	—	—	2.8	
education	4,632	4,408	26	17	20	21	18.4	-5	11.3	41.2		
health	19,806	20,722	25	21	26	23	3.1	1.2	2.7	10.0		
communications, and public utilities	4,761	4,971	29	28	29	29	3.8	1.1	4.4	1.6		
retail trade	19,152	20,015	91	90	92	92	5.3	1.0	4.5	1.2		
insurance, and real estate	4,882	4,786	26	25	25	26	4.8	2.4	-2.8	3.6		
ment	15,434	15,656	85	84	87	88	2.1	2.7	1.4	2.1		
Civilian labor force ^c	98,991	101,815	499	482	498	499	3.2	-A	3.1	1.6		
employed	92,442	96,012	360	372	378	376	4.1	-1.0	3.9	3		
unemployed	6,149	5,605	29	28	31	32	-9.8	7.3	-8.5	9.7		
	6.2	5.5	7.3	7.3	7.7	7.8	—	—	—	—		

Detail may not add to totals because of rounding.

Based on unrounded data.

Beginning January 1978, these data are being estimated by new methods, using more current data. This is a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

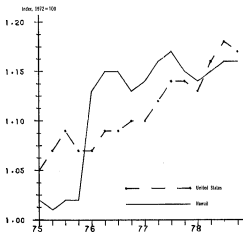


Chart 8.—Civilian Employment

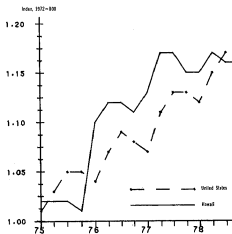


Chart 9.—Unemployment Rate

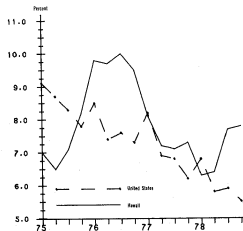


Chart 10.—Industrial Composition of Nonagricultural Employment: Hawaii

Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Hawaii Through Fourth Quarter, 1978

	United States			Hawaii			U.S.	State	U.S.	State
	1977:IV	1978:IV	1979:III	1977:IV	1978:IV	1979:IV	1977:III- 1978:III		1977:IV- 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total assets	\$30,362	n.a.	2,615	2,498	2,384	n.a.	36.3	18.3	---	---
Commercial and industrial	196,317	n.a.	456	473	540	n.a.	14.2	16.6	---	---
Loans to individuals	142,595	n.a.	451	473	558	n.a.	20.2	21.8	---	---
Real estate	177,835	n.a.	267	282	1,103	n.a.	13.9	34.1	---	---
Farms	101,236	n.a.	625	684	784	n.a.	21.3	21.0	---	---
Other	7,231	n.a.	9	6	7	n.a.	10.7	-21.4	---	---
Other assets, excluding real estate	68,968	n.a.	333	372	399	n.a.	19.0	2.1	---	---
Net	25,704	n.a.	12	15	14	n.a.	6.6	10.1	---	---
Total deposits	93,947	n.a.	137	137	177	n.a.	8.8	39.9	---	---
Total assets	\$25,811	n.a.	3,116	3,261	3,515	n.a.	11.5	12.8	---	---
Total deposits	377,583	n.a.	1,088	1,294	1,216	n.a.	10.2	11.7	---	---
Net and savings	547,828	n.a.	2,026	1,907	2,299	n.a.	12.3	13.4	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

The total valuation of contracts in Hawaii rose 58.4 percent from 1977:IV to 1978:IV, far exceeding the Nation's 16.8-percent gain and ranking first among all State gains (table 6). Part of the sharp year-to-year gain, however, was due to the makeup from the effects of the ironworkers' strike, which had lasted from August 1977 until December of that year and which had depressed the total valuation of contracts in 1977:IV. In 1978:IV, the total valuation of contracts reached \$236 million, up \$87 million from a year previous.

Large contracts for one-family houses in Honolulu, totaling over \$31 million, helped to increase the total valuation of residential housekeeping contracts by one-and-one-half times, to \$124 million in 1978:IV. Hawaii's percent gain, which was exceeded only by West Virginia's, far outpaced the Nation's gain of 15.6 percent. The number of dwelling units started rose 106.9 percent, from 1,300 in 1977:IV to 2,800 in 1978:IV; the percent gain was exceeded only by West Virginia's.

In contrast, in the Nation, the number of dwelling units started almost unchanged at a high level. The valuation of contracts additions and alterations to residential housekeeping units rose percent, almost twice the national average gain.

Street and highway contracts nearly tripled in valuation from year, in sharp contrast to a 16.3-percent decline national valuation of all nonbuilding contracts (including streets and highways). In Hawaii, nonbuilding contracts rose 22.2 percent in valuation.

The valuation of nonresidential contracts rose 9.7 percent, or with a 15.7-percent national gain. In 1978:IV, the valuation totaled \$111 million, including an \$11 million contract for a university in Honolulu. Without this contract, the valuation of nonresidential contracts in the State would have declined 18.2 percent.

Chart 14.—Construction Contracts—Total Valuation

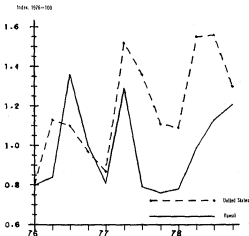


Chart 15.—Construction Contracts—Valuation of Contracts by Type: How

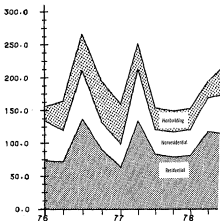


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

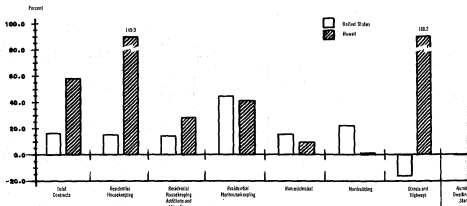


TABLE 6.—Construction Contracts, United States and Hawaii Through Fourth Quarter, 1978

	United States			Hawaii			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:III—1978:III	1977:IV—1978:IV
	Not seasonally adjusted						Percent change ¹			
Total value of contracts	38,912,131	45,058,773	153,739	349,157	270,463	235,139	16.5	43.4	18.8	58.4
Residential housekeeping, additions and alterations:										
Value (thousands of dollars)	7,787,987	8,832,353	23,537	28,304	37,335	35,352	16.8	39.8	14.6	28.6
All other contracts:										
Number of contracts	62,240	55,528	294	343	385	279	4.4	-3.1	-9.3	-33.2
Value (thousands of dollars)	31,285,134	36,621,420	125,193	120,853	183,868	198,807	14.6	46.2	17.4	65.3
Floor area (thousands of square feet)	881,453	975,595	5,916	2,561	4,468	4,986	32.8	-20.7	19.2	94.7
Number of contracts	14,825	14,182	41	27	24	27	-5.1	-41.5	-6.3	0
Value (thousands of dollars)	445,772	483,075	1,418	1,344	1,847	2,273	9.0	16.1	-6	106.8
Floor area (thousands of square feet)	14,875,595	17,194,518	53,828	45,841	24,741	124,081	15.3	28.9	15.6	148.9
Residential housekeeping:										
Number of contracts	579,733	641,796	1,564	1,453	2,327	3,594	10.3	48.5	10.7	103.4
Value (thousands of dollars)	167	505	4	4	5	5	-10.8	25.0	-4	25.0
Floor area (thousands of square feet)	328,637	409,279	625	944	1,336	1,336	9.4	219.4	44.8	41.5
Nonresidential:										
Number of contracts	8,463	10,660	20	5	42	31	-7	112.6	24.7	568.1
Value (thousands of dollars)	30,758	27,805	151	175	143	92	-2.3	-5.3	-12.0	-47.4
Floor area (thousands of square feet)	5,324,415	16,610,769	37,739	38,882	59,388	41,763	57.5	35.8	9.3	9.3
Manufacturing:										
Number of contracts	253,253	319,360	3,951	1,100	2,880	1,841	12.2	-47.2	8.9	-5.2
Value (thousands of dollars)	16,701	15,176	88	137	113	105	22.4	15.3	-6.1	-23.6
Streets and highways:										
Number of contracts	6,652,476	6,127,854	32,921	32,186	46,933	32,647	-1	42.3	22.2	1.4
Value (thousands of dollars)	4,586	4,099	16	27	21	27	6.3	21.3	-17.8	1.4
Number of contracts	2,298,641	1,931,340	5,348	7,212	34,887	20,490	3.9	549.5	-16.2	180.2

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Hawaii are not available.

TABLE 7.—Retail Sales, United States and Hawaii Through Fourth Quarter, 1978

	United States			Hawaii			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:III—1978:III	1977:IV—1978:IV
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	197,810	215,000	N.A.	N.A.	N.A.	N.A.	10.3	—	11.2	—
Durable goods	92,085	71,573	N.A.	N.A.	N.A.	N.A.	11.8	—	15.3	—
Nondurable goods	134,695	147,447	N.A.	N.A.	N.A.	N.A.	9.6	—	9.2	—

N.A.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Hawaii Through Fourth Quarter, 1978

	United States			Hawaii			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:III—1978:III	1977:IV—1978:IV
	Not seasonally adjusted						Percent change			
New business incorporations	105,411	N.A.	675	657	727	N.A.	8.2	7.7	—	—
Total number of business failures	1,684	N.A.	0	5	8	N.A.	-9.5	—	—	—
Net liabilities (thousands of dollars)	484,296	N.A.	0	0	2,893	N.A.	-44.2	—	—	—
Business failures by industry:										
Manufacturing:										
Textiles	248	N.A.	0	1	6	N.A.	-10.1	—	—	—
Lumber	319	N.A.	0	0	3	N.A.	3.0	—	—	—
Food	191	N.A.	0	0	0	N.A.	-27.3	—	—	—
Chemical products	588	N.A.	0	0	3	N.A.	-8.2	—	—	—
Other	238	N.A.	0	0	2	N.A.	-24.0	—	—	—

N.A.: Data not available.
Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

IDAHO

Highlights

1977:IV to 1978:IV

Personal income

- Up 17.1% vs. 12.6% in U.S., to \$6.4 billion
- Farm personal income up 89.8% vs. 26.3% in U.S.
- Payrolls up only 5.8% in manufacturing vs. 13.3% in U.S.

Employment

- Up 3.5% vs. 3.9% in U.S., to 386,000

Unemployment

- Up 2,000, to 22,000
- Rate up to 5.3% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts up 17.3% vs. 16.8% in U.S., to \$241.3 million
- Valuation of nonbuilding contracts up 91.3% vs. 22.2% in U.S.
- Number of dwelling-unit starts down 15.2% vs. near stability in U.S., to 2,411

TABLE 1.—Summary of Economic Indicators, United States and Idaho Through Fourth Quarter, 1978

	United States			Idaho			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:II	1978:IV	1977:III- 1978:II	1977:III- 1978:II	1977:III- 1978:II	1977:III- 1978:II
	All in dollars, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,583,908	1,782,510	6,146	5,482	6,063	6,345	12.4	17.6	12.6	12.6
Total wages and salaries (millions of dollars)	1,013,216	1,140,696	3,225	3,414	3,755	3,863	12.1	16.5	12.6	12.6
Civilian employment (thousands)	92,442	96,010	395	373	411	386	4.1	6.6	3.6	3.6
Unemployment (thousands)	6,144	8,608	21	20	20	22	-8.1	-4.6	-8.6	-8.6
Percent unemployed (unemployment/labor force)	6.2	5.5	5.3	5.0	4.8	5.3	---	---	---	---
Total leases (millions of dollars)	633,562	n.a.	2,288	2,357	2,610	n.a.	16.3	14.1	---	---
Total deposits (millions of dollars)	925,511	n.a.	3,115	3,288	3,502	n.a.	11.5	12.4	---	---
Total valuation of construction contracts (thousands of dollars)	30,913,111	45,459,773	184,482	205,767	217,418	241,349	14.5	17.8	16.8	16.8
Dwelling units started (number)	445,772	443,675	3,621	2,844	3,621	2,411	1.6	.0	---	---
Total retail sales (millions of dollars)	107,030	219,020	n.a.	n.a.	n.a.	n.a.	10.3	---	---	---
New business incorporations (number)	108,411	n.a.	428	539	487	n.a.	8.2	-3.1	---	---
Business failures (number)	1,684	n.a.	2	3	7	n.a.	-0.5	250.0	---	---
Consumer Price Index (1967=100): U.S. city average	105.3	201.6	---	---	---	---	7.9	---	---	8.8

n.a.: Data not available.

Source: See tables 2 through 8.

Chart 3.—Total Personal Income
[Seasonally adjusted]

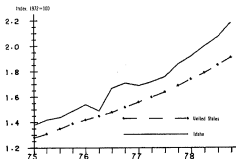


Chart 4.—Industrial Composition of Wages and Salaries: Idaho
[Seasonally adjusted]

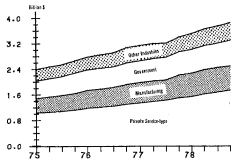


TABLE 2.—Personal Income, United States and Idaho Through Fourth Quarter, 1978

	Idaho						U.S. State		U.S. State		SA
	United States			Idaho			1977:III— 1978:III	1977:IV— 1978:IV	Percent change ²		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV					
	Millions of dollars, seasonally adjusted at annual rates ¹										
Total personal income	1,581,598	1,782,519	1,146	5,452	6,053	6,385	12.4	17.6	12.6	37.	
Farm personal income	31,224	39,451	221	277	363	526	47.9	64.0	26.3	39.	
Nonfarm personal income	1,550,374	1,743,068	4,524	5,175	5,690	5,859	11.9	13.6	12.3	13.	
Total personal income	1,581,598	1,782,519	1,146	5,452	6,053	6,385	12.4	17.6	12.6	37.	
Wage and salary disbursements	1,012,216	1,149,696	3,225	3,414	3,755	3,863	12.1	16.5	12.6	13.	
Other labor income	56,816	111,719	282	306	348	354	17.0	23.6	16.4	16.	
Proprietors' income	105,553	125,995	460	529	654	828	21.5	42.2	18.9	34.	
Farms	23,636	31,044	87	145	224	381	65.6	156.1	31.3	108.	
Nonfarms	81,917	94,951	373	433	430	447	12.8	15.3	15.3	12.	
Dividends, interest, and rent	214,592	242,442	662	679	745	767	12.5	12.5	12.8	12.	
State unemployment insurance benefits	11,228	7,753	27	34	26	33	-24.0	-2.2	-39.3	-9.	
Less: personal contributions	62,252	71,610	223	235	269	271	14.8	20.4	15.1	14.	
Plus: residence adjustment	-481	-473	34	35	46	43	—	—	—	—	
Wage and salary disbursements	1,012,216	1,149,696	3,225	3,414	3,755	3,863	12.1	16.5	12.6	13.	
Farms	7,776	7,739	131	128	135	141	8.5	3.4	19.6	10.	
Nonfarms	1,004,440	1,132,757	3,094	3,286	3,621	3,722	12.1	17.0	12.6	13.	
Mining	14,048	18,813	49	52	71	71	26.5	43.6	23.9	33.	
Construction	58,648	66,858	247	261	367	313	19.1	24.3	26.1	29.	
Manufacturing	276,112	302,970	636	718	749	749	12.3	20.2	12.3	5.	
Merchandise goods	176,216	203,853	377	431	460	460	13.7	20.0	15.2	8.	
Nonmerchandise goods	99,896	108,917	258	234	304	389	5.4	37.7	16.0	2.	
Private service type	455,764	515,348	1,438	1,501	1,681	1,750	12.8	17.6	13.1	16.	
Transportation, communication, and public utilities	76,584	85,264	250	262	299	308	16.4	35.2	11.3	14.	
Wholesale and retail trade	170,888	195,035	594	617	716	727	13.6	28.5	14.1	17.	
Finance, insurance, and real estate	54,452	61,653	136	148	172	180	14.1	25.8	13.2	22.	
Services	153,840	172,296	429	482	513	542	12.6	11.9	12.7	12.	
Government	241,250	215,683	705	734	763	815	7.4	8.3	6.9	10.	
Federal	64,176	73,039	242	253	279	304	7.3	13.3	7.1	15.	
State and local	133,076	142,644	458	472	484	511	7.5	5.7	4.8	8.	
Other	3,216	3,685	20	21	24	24	18.7	26.6	14.6	14.	

1. Detail may not add to Idaho because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Idaho Through Fourth Quarter, 1978¹

U.S. city average	United States			Idaho			U.S.	State	U.S.	State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	
	Index, 1967=100, not seasonally adjusted						Percent change				
	385.3	393.8	---	---	---	---	7.9	---	8.8	---	

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and rounded data are used for subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Idaho's civilian labor force increased 3.9 percent versus 3.1 percent nationally (table 4). Total employment increased 3.5 percent versus 3.9 percent nationally, to 386,000.

With the labor force increasing by 15,000 and employment increasing by 13,000, the number of unemployed increased by 2,000, to 22,000. Idaho's unemployment rate increased 0.3 percentage point, to 5.3 percent of the

labor force. The national unemployment rate in 1978:IV was 5.3 percent, down 0.7 percentage point from the 1977:IV level.

In December 1978, the preliminary unemployment rate in Boise, the State's major metropolitan area, was 4.3 percent; statewide, unemployment rate was 6.5 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Idaho

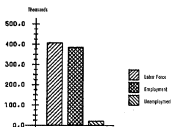


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

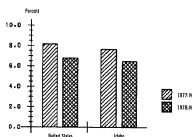


TABLE 4.—Labor Force, United States and Idaho Through Fourth Quarter, 1978

	United States			Idaho			U.S.		Idaho		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:III—1978:III	1977:IV—1978:IV	1977:IV—1978:IV	1977:IV—1978:IV
Thousands of persons, not seasonally adjusted ¹											
Percent change ²											
Employees on nonagricultural payrolls	84,219	87,708	315	317	338	339	4.3	7.2	4.2	6.8	5.6
Mining	787	899	3	4	4	4	8.2	14.7	14.2	5.6	5.6
Construction	4,032	4,488	21	26	23	21	10.4	8.3	11.3	7.1	7.1
Manufacturing	19,586	20,722	55	58	61	59	3.1	7.6	3.7	5.4	5.4
Transportation, communication, and public utilities	4,761	4,971	19	19	21	20	3.8	5.9	4.4	7.0	7.0
Wholesale and retail trade	18,152	20,015	77	86	82	84	5.3	6.6	4.5	5.2	5.2
Finance, insurance, and real estate	4,882	4,756	17	17	22	22	4.8	29.9	-2.0	30.6	30.6
Services	10,539	10,215	54	54	58	58	4.6	7.9	4.4	8.0	8.0
Government	10,434	10,658	81	89	69	71	2.1	8	1.4	2.9	2.9
Civilian labor force ³	96,586	101,615	407	393	431	408	3.2	6.0	3.1	3.9	3.9
Total employed	92,442	95,018	386	373	411	386	4.1	6.6	3.9	3.5	3.5
Total unemployed	6,149	5,605	21	20	20	22	-8.8	-4.6	-8.8	10.9	10.9
Percent unemployed	6.2	5.5	5.3	5.0	4.8	5.3	-	-	-	-	-

1. Total may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

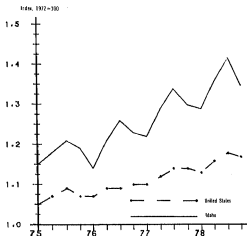


Chart 8.—Civilian Employment

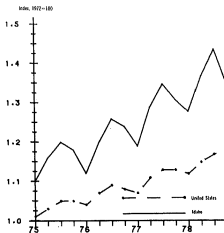


Chart 9.—Unemployment Rate

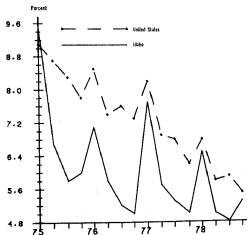
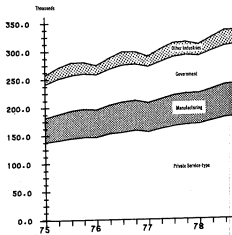


Chart 10.—Industrial Composition of Nonagricultural Employment: Idaho



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Idaho Through Fourth Quarter, 1978

	United States			Idaho			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:IV	1977:IV	1978:II	1978:IV	1977:IV— 1978:III		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	909,902	n.a.	2,188	2,357	2,810	n.a.	15.3	34.1	---	---
Commercial and industrial	196,317	n.a.	555	684	879	n.a.	14.2	21.2	---	---
Loans to individuals	146,599	n.a.	637	695	721	n.a.	20.2	13.3	---	---
Real estate	377,935	n.a.	831	955	746	n.a.	19.9	18.4	---	---
Residential	301,235	n.a.	425	444	513	n.a.	21.3	20.2	---	---
Farms	2,731	n.a.	15	14	13	n.a.	10.7	-8.5	---	---
Other	68,968	n.a.	192	398	223	n.a.	19.0	15.5	---	---
Farms, excluding real estate	25,784	n.a.	421	394	407	n.a.	6.8	-3.4	---	---
Other	69,547	n.a.	44	58	61	n.a.	8.0	38.0	---	---
Total deposits	925,511	n.a.	3,108	3,288	3,562	n.a.	11.5	17.4	---	---
Demand	371,893	n.a.	1,060	1,181	1,371	n.a.	10.2	10.5	---	---
Time and savings	547,839	n.a.	2,059	2,108	2,191	n.a.	12.3	13.4	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 17.3 percent (\$35.5 million), to \$241.3 million (table 6). The national increase was 16.8 percent.

National construction costs increased about 13 percent during the same time span; if this increase is representative of the gain throughout the State, the real increase in the total valuation of contracts in Idaho was about 4 percent, the same as nationally.

Reflecting a \$40 million contract in 1978:IV for the construction of an industrial waste disposal system in Bonneville County, the valuation of nonbuilding contracts increased 91.3 percent versus 22.2 percent nationally. Idaho's increase was one of the largest in the Nation. Without the Bonneville County contract, nonbuilding contracts in the State would have declined 60 percent in valuation from year to year. Street and highway contracts, a major component of nonbuilding contracts, declined 3.4 percent in valuation, compared with a 16.3-percent national decline.

Residential housekeeping contracts increased 8.4 percent in value versus 15.6 percent nationally. A \$12 million contract in 1977:IV for construction of one-family houses in Ada County raised the value of residential housekeeping contracts to an unusually high level, the distorting the subsequent year-to-year change. Without the Ada Co contract, the valuation of residential housekeeping contracts in the State would have increased 27.2 percent. The number of dwelling units started declined 15.2 percent, or 433 units, to 2,411. Idaho's decline was one of the largest in the Nation. Nationally, the number of dwelling units started was almost unchanged at a high level. Residential housekeeping additions and alterations increased 21.0 percent in valuation versus 15.6 percent nationally.

Nonresidential contracts declined 2.7 percent in valuation, compared with a 15.8-percent national increase.

Chart 14.—Construction Contracts—Total Valuation

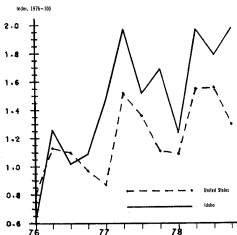


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Idaho

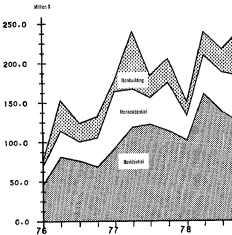
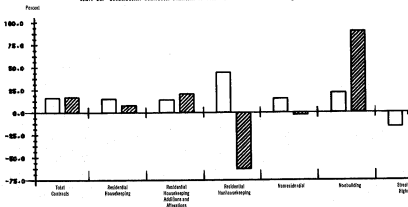


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Idaho Through Fourth Quarter, 1978

	United States			Idaho			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	618,502	n.a.	2,288	2,257	2,510	n.a.	36.3	34.1	---	---
Commercial and industrial	186,217	n.a.	555	604	673	n.a.	14.2	21.2	---	---
Loans to individuals	140,546	n.a.	637	655	721	n.a.	20.2	13.3	---	---
Real estate	177,535	n.a.	831	850	748	n.a.	19.9	18.4	---	---
Residential	151,236	n.a.	425	444	511	n.a.	21.3	26.2	---	---
Farms	2,731	n.a.	15	14	13	n.a.	10.7	-8.5	---	---
Other	66,868	n.a.	192	196	223	n.a.	18.0	16.5	---	---
Farms, excluding real estate	25,704	n.a.	421	394	467	n.a.	6.8	-3.4	---	---
Other	66,947	n.a.	44	58	61	n.a.	8.0	38.0	---	---
Total deposits	805,511	n.a.	3,135	3,200	3,082	n.a.	13.9	12.4	---	---
Demand	377,683	n.a.	1,969	1,181	1,371	n.a.	10.2	10.5	---	---
Time and savings	547,828	n.a.	2,695	2,168	2,331	n.a.	12.3	13.4	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 17.3 percent (\$35.5 million), to \$241.3 million (table 6). The national increase was 16.8 percent.

National construction costs increased about 13 percent during the same time span; if this increase is representative of the gain throughout the State, the real increase in the total valuation of contracts in Idaho was about 4 percent, the same as nationally.

Reflecting a \$40 million contract in 1978:IV for the construction of an industrial waste disposal system in Bonneville County, the valuation of nonbuilding contracts increased 91.3 percent versus 22.2 percent nationally. Idaho's increase was one of the largest in the Nation. Without the Bonneville County contract, nonbuilding contracts in the State would have declined 60 percent in valuation from year to year. Street and highway contracts, a major component of nonbuilding contracts, declined 3.4 percent in valuation, compared with a 16.3-percent national decline.

Residential housekeeping contracts increased 8.4 percent in value versus 15.6 percent nationally. A \$12 million contract in 1977:IV for construction of one-family houses in Ada County raised the value of residential housekeeping contracts to an unusually high level, the distorting the subsequent year-to-year change. Without the Ada Co contract, the valuation of residential housekeeping contracts in the State would have increased 27.2 percent. The number of dwelling units started declined 15.2 percent, or 433 units, to 2,411. Idaho's decline was one of the largest in the Nation. Nationally, the number of dwelling units started was almost unchanged at a high level. Residential housekeeping additions and alterations increased 21.0 percent in valuation versus percent nationally.

Nonresidential contracts declined 2.7 percent in valuation, compared with a 15.8-percent national increase.

Chart 14.—Construction Contracts—Total Valuation

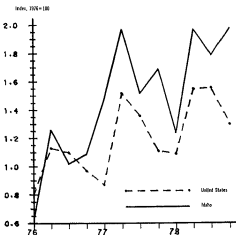


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Idaho

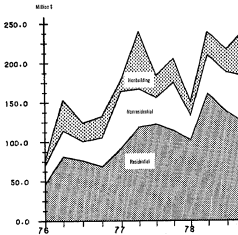


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

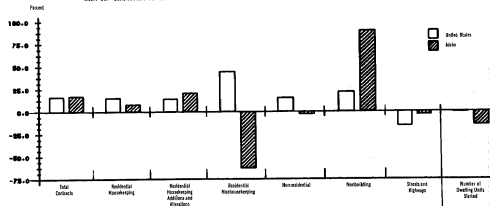


TABLE 6.—Construction Contracts, United States and Idaho Through Fourth Quarter, 1978¹

	United States			Idaho			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:III— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV
	Not seasonally adjusted						Percent change ²			
Total value of contracts	38,903,310	45,459,273	384,482	295,767	212,418	240,305	14.5	17.9	16.8	102
By contract type: Building, additions and alterations	7,740,967	8,832,253	30,258	27,536	33,345	33,258	15.8	6.7	14.6	20.0
Other contracts										
Number of contracts	62,780	56,938	258	250	324	285	4.4	-6	-9.3	-25.0
Value (thousands of dollars)	21,295,124	35,627,420	153,194	178,258	184,873	208,587	14.0	39.2	12.4	18.7
Revenue (thousands of dollars)	880,453	975,544	4,643	4,331	5,310	5,492	10.8	14.4	18.2	9.8
Percent of total contracting										
Number of contracts	14,825	14,187	373	159	165	153	-5.1	-4.6	-4.3	-1.8
Value (thousands of dollars)	445,772	443,075	3,021	2,844	3,021	2,411	3.0	0	-6	-15.2
Revenue (thousands of dollars)	14,878,596	17,194,508	80,574	81,359	103,222	88,212	15.3	14.0	15.6	8.4
Percent of total contracting	579,333	646,796	3,468	3,153	3,788	3,095	10.2	9.4	10.7	1.1
Number of contracts	507	505	3	5	2	2	-10.6	-33.3	-A	-80.0
Value (thousands of dollars)	338,637	490,279	809	5,231	1,230	1,432	9.4	81.3	44.8	-25.0
Revenue (thousands of dollars)	8,467	10,560	39	178	52	0	-7	186.3	24.7	-
Number of contracts	30,258	27,855	166	126	310	90	-2.5	3.8	-12.0	-28.6
Value (thousands of dollars)	8,324,415	18,800,764	32,327	61,236	56,249	19,585	27.6	58.8	15.8	-2.7
Revenue (thousands of dollars)	293,250	309,248	1,161	1,061	1,472	2,217	12.2	26.7	8.9	18.5
Number of contracts	16,761	15,176	36	180	79	48	-2.4	3.9	-9.1	-18.8
Value (thousands of dollars)	5,652,476	8,127,854	28,493	30,462	28,312	58,278	-1.1	2.9	22.2	96.3
Revenue (thousands of dollars)	4,989	4,899	41	39	45	15	9.3	9.8	-17.8	-45.5
Value (thousands of dollars)	2,378,581	1,921,341	17,569	14,284	14,705	13,867	2.0	12.2	-18.3	-3.4

¹ Contracts started or expected to start within 60 days.² Percent change for 1978 data based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Data for 1978 are data may not add to totals because of rounding.

Retail Sales

Retail sales data for Idaho are not available.

TABLE 7.—Retail Sales, United States and Idaho Through Fourth Quarter, 1978

	United States			Idaho			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:III— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	187,838	218,320	n.a.	n.a.	n.a.	n.a.	16.3	---	11.2	---
Consumer goods	82,965	79,513	n.a.	n.a.	n.a.	n.a.	11.8	---	15.3	---
Nonconsumer goods	124,865	142,447	n.a.	n.a.	n.a.	n.a.	6.6	---	9.2	---

n.a. Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Idaho Through Fourth Quarter, 1978

	United States			Idaho			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:III— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV
	Not seasonally adjusted						Percent change			
New business incorporations	198,411	n.a.	429	539	487	n.a.	8.2	---	---	---
Total number of business failures	1,644	n.a.	2	3	7	n.a.	-9.5	250.0	---	---
Current liabilities (thousands of dollars)	484,296	n.a.	105	179	622	n.a.	-44.2	487.4	---	---
Average liability per failure (thousands of dollars)	295	n.a.	53	68	89	n.a.	-38.4	87.9	---	---
Business failures by industry										
Mining and manufacturing										
Construction	248	n.a.	1	1	6	n.a.	-10.1	---	---	---
Wholesale trade	303	n.a.	0	0	4	n.a.	3.8	---	---	---
Retail trade	131	n.a.	0	0	4	n.a.	-37.1	---	---	---
Commercial services	588	n.a.	1	0	2	n.a.	-4.2	108.9	---	---
	238	n.a.	0	2	1	n.a.	-24.0	---	---	---

n.a. Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

ILLINOIS

Highlights

1977:IV to 1978:IV

Personal income	—Up 10.3%, 2.3 percentage points less than in U.S. —Weakness in farming, manufacturing, and private service-type industries
Consumer prices	—Up 9.9% in Chicago vs. 8.9% in U.S.
Employment	—Up 3.2% vs. 3.9% in U.S., to 5.1 million
Unemployment	—Down 19,000, to 293,000 —Rate down to 5.4% of labor force vs. 5.5% U.S. rate
Construction	—Total valuation of contracts up 2.9% vs. 16.8% in U.S., to \$2.0 billion —Most major construction categories weak in State —Number of dwelling-unit starts down 11.8% vs. little change in U.S., to 17,807
Retail sales	—Up 10.0% vs. 11.2% in U.S., to \$12.3 billion

TABLE 1.—Summary of Economic Indicators, United States and Illinois Through Fourth Quarter, 1978

	United States			Illinois			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:III	1977:IV— 1978:IV
	All indicators, except income, not seasonally adjusted						Percent change			
Billions of dollars.....	1,583,528	1,767,519	99,341	92,277	98,795	281,779	12.4	10.8	12.8	18.3
Billions of dollars.....	1,603,216	1,848,899	88,367	58,537	64,729	86,118	12.1	10.9	12.6	11.1
Thousands of dollars.....	92,462	98,919	4,961	4,964	5,078	5,114	4.1	2.3	3.9	3.2
Thousands of dollars.....	8,149	5,605	328	312	314	293	-8.8	-4.3	-8.8	-6.3
Employment/labor force.....	8.2	5.5	6.2	5.9	5.8	5.4	---	---	---	---
Millions.....	818,562	n.a.	45,781	47,874	52,884	n.a.	18.3	15.5	---	---
Millions.....	925,511	n.a.	85,019	86,837	71,542	n.a.	11.5	10.0	---	---
Millions of dollars.....	38,913,111	45,458,773	2,195,832	1,894,913	2,378,424	1,952,895	14.5	8.3	18.8	2.8
Millions.....	445,772	463,075	21,439	22,185	23,187	17,807	1.3	-1.2	-1.2	-13.8
Millions of dollars.....	157,830	218,320	9,822	11,139	16,732	32,321	16.3	9.3	11.2	10.0
Thousands.....	100,411	n.a.	4,253	4,434	4,781	n.a.	8.2	12.4	---	---
Thousands.....	1,884	n.a.	99	93	95	n.a.	-5.5	-4.9	---	---
1967 = 100:	105.3	203.8	---	---	---	---	7.9	---	8.9	---
1967 = 100:	---	---	177.4	178.4	181.8	187.1	---	8.1	---	9.5

Table 2 through 8

Analysis

Personal Income

total personal income (seasonally adjusted at annual rates) increased 0.3 percent from 1977:IV to 1978:IV, 2.3 percentage points less than nationally (table 2). In 1978:IV, Illinois' total personal income was \$101.8 billion, for an increase of \$9.5 billion since 1977:IV. Among all States, Illinois' increase ranked 45th. Changes in nearly all major income components were below those registered in the corresponding components nationally.

Since the last national business cycle peak (1973:IV), Illinois' economy has increased slowly; the increase in nonfarm income was 14 percent less than nationally, ranking Illinois 43rd among all States.

Consumer prices from 1977:IV to 1978:IV increased 9.9 percent in the Chicago metropolitan area versus a national increase of 8.9 percent (table 3). If Chicago's index is used as an indicator for price movements

in the State, real total personal income in Illinois increased only 0.4 percent versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 11.1 percent in Illinois versus 12.6 percent in the Nation. In 1978:IV, payrolls totaled \$66.1 billion, up \$6.6 billion since 1977:IV. Among all States, Illinois' increase ranked 42nd.

Manufacturing payrolls increased 9.4 percent, 3.9 percentage points less than in the Nation. Among all States, Illinois' increase ranked 46th. While weakness extended to both durable goods and nondurable goods manufacturing, the lag was particularly pronounced in nondurables, up only 5.8 percent versus 10.0 percent nationally.

Private service-type payrolls were also weak in the State. The lag was particularly pronounced in trade payrolls—up 9.7 percent in Illinois and 14.1 percent in the Nation. In sharp contrast, Illinois' payroll increase in finance-insurance-real estate was 17.5 percent versus a national increase of 13.2 percent; the State's increase ranked ninth among all States. Finance-insurance-real estate payrolls accounted for 3.9 percent of total personal income in Illinois in 1978:IV, compared with a weight of 3.5 percent in the Nation.

State and local government payrolls increased more in Illinois than in the Nation—11.3 percent versus 6.8 percent. The increase in Federal Government payrolls, in contrast, was smaller in Illinois than in the Nation. Construction payrolls increased 14.5 percent in the State versus 20.1 percent in the Nation.

Unemployment insurance benefits declined about 30 percent in both the State and the Nation.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)

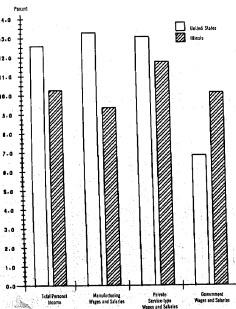
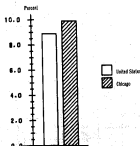


Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV



Labor Force

From 1977:IV to 1978:IV, the civilian labor force increased 2.6 percent, 0.5 percentage point less than in the Nation (table 4). Total employment in Illinois increased 3.2 percent, 0.7 percentage point less than in the Nation, to 5.1 million. The State's employment increase was the second smallest in the Great Lakes region and was exceeded in 33 States.

With the labor force increasing 139,000 and total employment increasing 158,000, unemployment declined 19,000, to 293,000. In 1978:IV, the unemployment rate in Illinois was 5.4 percent, fractionally less than the national average rate. Illinois' unemployment rate declined

0.5 percentage point from year to year versus a decline in the Nation's 0.7 percentage point.

In December 1978, the preliminary unemployment rate in Illinois was 5.7 percent, up fractionally since December 1977. December 1978 rates in major metropolitan areas of the State ranged from 4.5 percent in Davenport-Rock Island-Moline and 4.6 percent in Bloomington-Normal to 6.4 percent in Decatur. The rate in Chicago, which accounts for more than three-fifths of Illinois' labor force, was 5.3 percent.

Chart 3.—Labor Force, Employment, and Unemployment, 1978:IV, Illinois

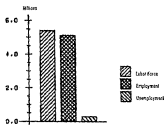


Chart 4.—Unemployment Rates, 1977:IV—1978:IV

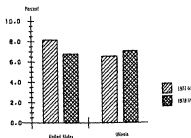


TABLE 4.—Labor Force, United States and Illinois Through Fourth Quarter, 1978

	United States						Illinois		U.S. State		U.S. Rate
	Thousands of persons, not seasonally adjusted ¹						Percent change ²		1977:II-1978:II	1977:IV-1978:IV	
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:II-1978:II	1977:IV-1978:IV			
Employees on nonagricultural payrolls	84,210	87,768	4,649	4,443	4,789	4,789	4.3	2.4	4.2	21	
Mining	287	489	20	23	27	36	8.2	-5.3	14.3	14	
Construction	4,032	4,488	456	459	458	457	10.4	3.2	11.3	11	
Manufacturing	33,986	34,712	1,726	1,742	1,740	1,735	3.1	-0.2	3.7	10	
Transportation, communication, and public utilities	4,781	4,971	190	196	193	193	3.8	2.5	4.4	10	
Wholesale and retail trade	15,152	15,215	1,068	1,090	1,070	1,081	5.3	1.2	4.5	18	
Finance, insurance, and real estate	4,852	4,758	232	271	282	281	4.8	3.4	-2.0	18	
Services	15,038	15,215	182	182	181	184	4.5	3.3	4.4	14	
Government	15,434	15,650	718	737	739	779	2.3	7.1	1.4	14	
Civilian labor force ³	98,591	101,615	3,024	3,088	3,181	3,467	2.2	2.9	3.1	18	
Total employed	92,462	96,018	3,561	3,596	3,616	3,614	4.1	2.3	2.9	15	
Total unemployed	6,129	5,597	-532	-492	-565	-847	-8.8	-4.3	-8.8	-11	
Percent unemployed	6.2	5.5	-1.2	-1.5	-1.8	-2.4	-1.3	-1.3	-2.7	-11	

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This causes a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

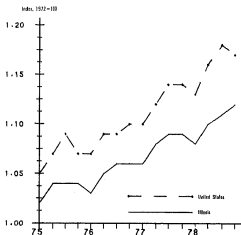


Chart 8.—Civilian Employment

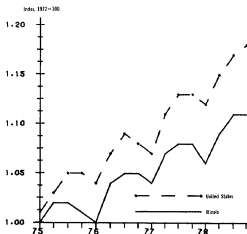


Chart 9.—Unemployment Rate

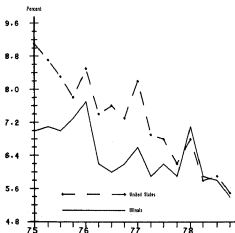
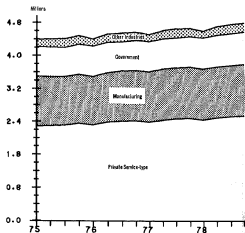


Chart 10.—Industrial Composition of Nonagricultural Employment: Illinois



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Illinois Through Fourth Quarter, 1978

TABLE 3.—Commercial Banking Indicators, United States and Illinois Through Fourth Quarter, 1978										
	United States			Illinois			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:IV	1977:IV	1978:IV	1978:IV				
	Millions of dollars, not seasonally adjusted ¹										1977:IV-1978:IV	Percent change^{2}
Total assets	808,502	n.a.	45,781	47,674	52,864	n.a.	16.3	15.8	---	---
Commercial and industrial	156,267	n.a.	17,046	17,795	20,159	n.a.	14.2	18.2	---	---
Loans to individuals	340,996	n.a.	8,129	8,424	9,510	n.a.	28.2	17.1	---	---
Real estate	177,935	n.a.	10,718	11,339	13,201	n.a.	19.9	24.7	---	---
Residential	201,228	n.a.	6,511	6,777	8,138	n.a.	21.3	25.0	---	---
Farms	7,331	n.a.	501	121	595	n.a.	10.7	18.9	---	---
Other	68,968	n.a.	1,841	1,898	2,013	n.a.	19.0	23.5	---	---
Farms, excluding real estate	25,794	n.a.	1,841	1,898	2,013	n.a.	6.8	9.4	---	---
Other	99,947	n.a.	8,957	8,327	7,879	n.a.	3.0	-2.2	---	---
Total deposits	95,947	n.a.	8,957	8,327	7,879	n.a.	3.0	-2.2	---	---
Demand	377,683	n.a.	66,819	68,837	71,542	n.a.	11.5	10.8	---	---
Time and savings	547,328	n.a.	21,438	24,503	23,541	n.a.	10.2	9.8	---	---
		n.a.	43,582	44,323	46,081	n.a.	12.3	10.1	---	---

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.
Source: U.S. Federal Deposit Insurance Corporation.

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased only 2.9 percent in the State versus 16.8 percent in the Nation (table 6). In 1978:IV, contracts in the State totaled \$2.0 billion, for an increase of \$55 million over the year.

National construction costs increased about 13 percent; if this increase is representative of cost changes in Illinois, the real valuation of construction contracts declined about 10 percent versus a national increase of about 4 percent.

The residential construction market was weak in Illinois. The valuation of residential housekeeping contracts increased only 0.9 percent versus 15.6 percent in the Nation. Forty-four States had larger increases. The number of dwelling units started declined 11.8 percent (2,378 units), to 17,807 units. Only eight States had declines that were larger than Illinois'. Nationally, in contrast, the number of dwelling units started was virtually unchanged at a high level. Contracts for additions and alterations to residential housekeeping units increased 10.1 percent in

valuation, lagging the national average increase by 4.5 percentage points.

The valuation of nonbuilding contracts declined 44.7 percent in Illinois versus an increase of 22.2 percent in the Nation. A \$79 million contract in 1977:IV for the construction of a sewage tunnel in Cook County raised the State's valuation of nonbuilding contracts to an unusually high level, thereby distorting the subsequent year-to-year change. A contributing to weakness in nonbuilding was a decline of 27.1 percent in the valuation of street and highway contracts. Nationally, street and highway contracts declined 16.3 percent in valuation.

The valuation of nonresidential contracts increased 43.7 percent in State versus 15.8 percent in the Nation. In 1978:IV, a \$63 million of building was contracted for in Cook County. Excluding this contract the valuation of nonresidential contracts would have increased 1 percent.

Chart 14.—Construction Contracts—Total Valuation

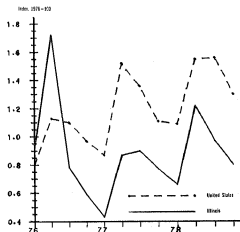


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Illinois

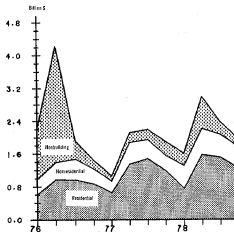


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

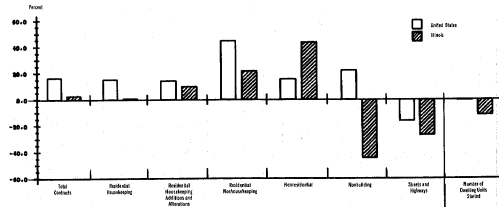


TABLE 6.—Construction Contracts, United States and Illinois Through Fourth Quarter, 1978¹

	United States			Illinois			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:III— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV
	Not seasonally adjusted						Percent change ²			
Value of contracts.....	38,812,111	45,458,773	2,095,632	1,896,913	2,378,434	1,952,855	14.5	8.3	16.8	2.8
Housekeeping, additions and alterations:										
Housekeeping.....	7,707,967	8,632,753	487,254	376,362	560,517	414,436	16.8	3.9	14.6	10.3
Additions and alterations:										
Nonresidential.....	31,205,144	36,826,020	1,718,378	1,520,551	1,817,917	1,538,419	14.0	8.6	17.4	1.2
Residential.....	801,463	971,586	48,613	41,980	50,106	41,883	10.8	9.3	18.2	9.9
Total.....	32,006,608	37,797,606	1,766,991	1,562,531	1,868,023	1,580,302	14.4	8.5	17.3	1.2
New construction:										
Housekeeping.....	14,825	14,182	702	682	620	578	-5.1	-11.7	-4.3	-12.5
Additions and alterations:										
Nonresidential.....	445,772	443,025	23,426	20,185	23,167	17,807	1.9	-1.2	-6.8	-10.8
Residential.....	14,876,596	17,196,518	922,977	891,553	1,000,637	888,958	15.3	8.5	15.6	9.9
Total.....	14,922,372	17,210,705	923,679	892,238	1,001,257	889,535	15.3	8.5	15.6	9.9
Renewal construction:										
Housekeeping.....	507	565	24	24	9	11	-11.0	-52.5	-4.4	-54.2
Additions and alterations:										
Nonresidential.....	338,637	450,278	85,572	10,204	4,956	12,429	8.4	-94.6	44.8	29.8
Residential.....	8,467	10,560	1,430	183	113	200	-7.7	-92.1	24.7	19.2
Total.....	347,104	460,843	87,006	10,387	5,069	12,629	8.4	-94.6	44.8	29.8
Total new construction.....	35,369,502	38,171,549	1,854,000	1,572,820	1,873,292	1,592,834	14.4	8.5	17.3	1.2
Total construction.....	73,181,613	83,630,322	3,949,632	3,469,733	4,251,726	3,543,689	14.4	8.5	17.3	1.2
Housekeeping.....	12,213	14,747	506	706	629	589	-5.1	-11.7	-4.3	-12.5
Additions and alterations:										
Nonresidential.....	445,772	443,025	23,426	20,185	23,167	17,807	1.9	-1.2	-6.8	-10.8
Residential.....	14,876,596	17,196,518	922,977	891,553	1,000,637	888,958	15.3	8.5	15.6	9.9
Total.....	15,322,040	17,682,568	946,403	891,738	1,024,404	896,772	15.3	8.5	15.6	9.9
Total new construction.....	35,369,502	38,171,549	1,854,000	1,572,820	1,873,292	1,592,834	14.4	8.5	17.3	1.2
Total construction.....	70,738,542	75,854,117	3,790,403	3,364,558	4,197,586	3,489,606	14.4	8.5	17.3	1.2
Housekeeping.....	12,213	14,747	506	706	629	589	-5.1	-11.7	-4.3	-12.5
Additions and alterations:										
Nonresidential.....	445,772	443,025	23,426	20,185	23,167	17,807	1.9	-1.2	-6.8	-10.8
Residential.....	14,876,596	17,196,518	922,977	891,553	1,000,637	888,958	15.3	8.5	15.6	9.9
Total.....	15,322,040	17,682,568	946,403	891,738	1,024,404	896,772	15.3	8.5	15.6	9.9
Total new construction.....	35,369,502	38,171,549	1,854,000	1,572,820	1,873,292	1,592,834	14.4	8.5	17.3	1.2
Total construction.....	70,738,542	75,854,117	3,790,403	3,364,558	4,197,586	3,489,606	14.4	8.5	17.3	1.2

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Illinois totaled \$12.3 billion in 1978:IV, up 10.0 percent (table 7). In 1978:IV, nondurable goods accounted for \$8.2 billion, and durable goods accounted for \$4.1 billion.

TABLE 7.—Retail Sales, United States and Illinois Through Fourth Quarter, 1978

	United States			Illinois			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:III— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV
	Millions of dollars, not seasonally adjusted						Percent change			
Total.....	167,030	218,929	9,822	11,159	30,732	12,321	10.3	9.3	11.7	10.0
Durable goods.....	62,045	71,573	n.a.	n.a.	3,779	4,884	11.8	—	15.3	—
Nondurable goods.....	124,985	147,447	n.a.	n.a.	6,957	8,237	9.6	—	9.2	—

not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Illinois Through Fourth Quarter, 1978

	United States			Illinois			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:III— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV
	Not seasonally adjusted						Percent change			
Business incorporations.....	138,412	n.a.	4,253	4,434	4,781	n.a.	8.2	32.4	—	—
Number of business failures.....	1,584	n.a.	99	93	85	n.a.	-8.5	-4.0	—	—
Assets (thousands of dollars).....	484,296	n.a.	39,734	16,285	22,989	n.a.	-44.2	-25.2	—	—
Liabilities (thousands of dollars).....	238	n.a.	310	176	242	n.a.	-36.4	-23.9	—	—
Failures by industry:										
Manufacturing.....	248	n.a.	21	8	15	n.a.	-10.1	-28.6	—	—
Retail trade.....	319	n.a.	11	12	13	n.a.	1.9	18.2	—	—
Transportation.....	191	n.a.	13	13	13	n.a.	-27.1	0	—	—
Finance.....	908	n.a.	42	45	44	n.a.	-4.2	-4.8	—	—
Other.....	238	n.a.	12	15	14	n.a.	-24.0	16.7	—	—

not available.
& Bradford, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income	—Up 13.9%, 1.3 percentage points more than in U.S. —Strong increases in construction, finance-insurance-real estate, government, and farming
Consumer prices	—Up 11.1% in Cincinnati and 9.9% in Chicago vs. 8.9% in U.S.
Employment	—Up 4.8% vs. 3.9% in U.S., to 2.5 million
Unemployment	—Up 15,000, to 139,000 —Rate up to 5.3% of labor force vs. 5.5% U.S. rate
Construction	—Total valuation of contracts up 52.1% vs. 16.8% in U.S., to \$2.1 billion —State gains traceable to an electric generating plant contract in 1978:IV —Number of dwelling-unit starts declined 20.2% vs. near stability in U.S., to 8,657
Retail sales	—Up 12.4% vs. 11.2% in U.S., to \$5.7 billion

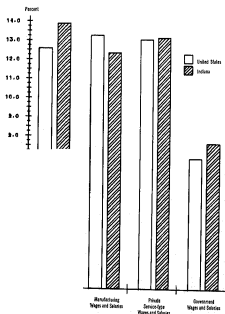
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 13.9 percent from 1977:IV to 1978:IV, 1.3 percentage points more than nationally (table 2). In 1978:IV, Indiana's total personal income was \$43.5 billion, for an increase of \$3.3 billion since 1977:IV. Nonfarm income increased 12.8 percent, 0.5 percentage point more than nationally; among all States, Indiana's increase ranked 20th. Farm income increased 66.4 percent in the State versus 26.3 percent in the Nation; among all States, Indiana's increase ranked 12th.

Since the last national business cycle peak (1973:IV), Indiana's economic growth has been close to the national average; the increase in nonfarm income was 2 percent less than nationally, ranking Indiana 34th among all States.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
(Seasonally adjusted)



Consumer prices from 1977:IV to 1978:IV increased 9.9 percent in the Chicago metropolitan area and 11.1 percent in Cincinnati; both of these increases were well above the national average increase of 8.9 percent (table 3). If the average price increase in the two areas—10.5 percent—is used as an indicator for price movements in Indiana, real total personal income in the State increased 3.4 percent versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 13.2 percent in Indiana versus 12.6 percent in the Nation. In 1978:IV, payrolls totaled \$28.4 billion, up \$3.3 billion since 1977:IV.

Construction payrolls increased 30.7 percent in the State versus 20.1 percent in the Nation. Mining payrolls increased 44.2 percent in Indiana versus 33.9 percent in the Nation; the 1977:IV level had been unusually low due to a coal miners' strike. Government payrolls also increased more in Indiana than in the Nation—7.7 percent versus 6.9 percent nationally. Strength was evident in both Federal Government payrolls and State and local government payrolls.

In contrast, payrolls in private service-type industries increased about as much in Indiana (13.2 percent) as in the Nation. The State's increase in finance-insurance-real estate was above the national average, and the increase in services was below the national average. Manufacturing payrolls increased 12.4 percent, nearly 1 percentage point less than nationally. Weakness extended to both durable and nondurable goods.

With the State and national economies continuing to expand, State unemployment insurance benefits declined 28.6 percent in Indiana and 30.3 percent in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

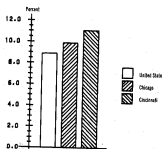


Chart 3.—Total Personal Income
(Seasonally adjusted)

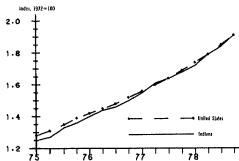


Chart 4.—Industrial Composition of Wages and Salaries: Indiana
(Seasonally adjusted)

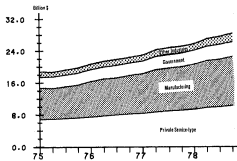


TABLE 2.—Personal Income, United States and Indiana Through Fourth Quarter, 1978

	Indiana						U.S.		State	
	United States			Indiana						
	1977:IV	1978:IV	1977:IV	1978:IV	1977:IV	1978:IV	1977:IV— 1978:IV	1977:IV— 1978:IV	1977:IV— 1978:IV	1977:IV— 1978:IV
	Billions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income.....	1,583,508	1,782,559	37,389	38,184	43,871	43,496	12.4	12.1	12.6	13.3
Farm personal income.....	31,224	36,451	526	749	785	1,231	47.9	45.4	26.3	68.4
Nonfarm personal income.....	1,552,284	1,746,088	36,864	37,434	43,085	42,265	11.9	11.8	12.3	12.8
Total personal income.....	1,583,508	1,782,559	37,389	38,184	43,871	43,496	12.4	12.1	12.6	13.3
Wage and salary disbursements.....	1,013,216	1,140,686	24,766	25,096	27,620	28,423	12.1	11.5	12.6	13.2
Other labor income.....	96,816	111,719	2,789	2,787	3,135	3,233	17.0	10.7	18.4	16.0
Proprietors' income.....	100,853	125,995	2,275	2,471	2,713	3,244	21.5	19.2	18.9	31.3
Farm.....	23,630	31,944	399	580	615	1,051	66.6	54.0	31.3	81.1
Nonfarm.....	82,317	94,951	1,876	1,891	2,098	2,189	12.8	11.5	15.3	16.0
Dividends, interest, and rent.....	214,992	242,447	4,841	4,955	5,387	5,541	12.3	11.4	12.8	11.8
Transfer payments.....	215,944	232,750	4,145	4,250	4,567	4,646	8.8	10.2	8.2	9.2
Less: personal contributions.....	82,292	71,810	1,487	1,494	1,684	1,721	14.8	13.2	15.1	15.2
Plus: residence adjustment.....	-481	-473	110	124	128	136	-	-	-	-
Wage and salary disbursements.....	1,013,216	1,140,686	24,766	25,096	27,620	28,423	12.1	11.5	12.6	13.2
Farm.....	7,176	7,929	153	156	187	176	8.5	9.3	10.6	12.8
Nonfarm.....	1,006,040	1,132,757	24,613	24,940	27,433	28,247	12.1	11.5	12.6	13.2
Mining.....	14,048	16,893	163	148	204	213	38.5	24.9	33.9	44.7
Construction.....	55,848	66,858	1,383	1,340	1,641	1,753	19.1	18.7	29.1	36.7
Manufacturing.....	276,812	307,979	10,865	10,868	11,871	12,342	12.1	11.1	13.1	12.4
Durable goods.....	176,216	195,063	8,859	8,880	9,518	9,927	13.7	11.9	15.2	13.2
Nondurable goods.....	59,596	109,917	2,177	2,298	2,353	2,415	9.4	8.1	19.0	9.4
Private service-type.....	465,394	503,348	8,677	8,882	9,989	10,285	12.8	11.3	13.1	13.9
Transportation, communication, and public utilities.....	76,584	85,264	1,683	1,684	1,772	1,855	16.4	13.6	14.1	14.1
Wholesale and retail trade.....	170,688	195,035	3,785	3,819	4,260	4,314	13.6	11.1	13.6	13.6
Finance, insurance, and real estate.....	54,452	61,653	974	1,019	1,141	1,175	14.1	11.1	13.6	13.6
Services.....	153,640	173,390	2,550	2,584	2,816	2,881	13.6	11.1	13.6	13.6
Government.....	291,252	215,283	3,789	3,449	3,766	3,713	13.6	11.1	13.6	13.6
State and local.....	46,176	73,083	737	771	798	836	13.6	11.1	13.6	13.6
Other.....	133,076	142,200	2,633	2,677	2,910	2,876	13.6	11.1	13.6	13.6
Other.....	3,218	3,685	25	26	41	41	13.6	11.1	13.6	13.6

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

TABLE 3.—Consumer Price Index, United States and Indiana Through Fourth Quarter, 1978¹

	United States			Indiana		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV
	Index, 1967=100, not seasonally adjusted					
	U.S. city average ¹					
Chicago	185.3	207.8	177.4	178.4	191.8	192.3
Cincinnati	185.3	207.8	185.2	186.7	200.3	201.5

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January subsequent quarters. Users are advised to exercise caution when in.

Labor Force

From 1977:IV to 1978:IV, the civilian labor force in Indiana increased 5.2 percent, 2.1 percentage points more than in the Nation (table 4). Indiana's increase ranked fifth in the Nation, after increases in Alaska, West Virginia, Oregon, and Wyoming. Total employment in Indiana increased 4.8 percent, 0.9 percentage point more than in the Nation, to 2.5 million. Indiana's employment increase was the second largest in the Great Lakes region, after Ohio's 5.2-percent increase.

With the labor force increasing 129,000 and total employment increasing 114,000, unemployment increased 15,000, to 139,000. In 1978:IV, the State's unemployment rate was 5.3 percent, slightly less than the Nation's rate. From year to year, the unemployment rate increased

0.3 percentage point in Indiana—one of only ten States to register an increase—versus a decline of 0.7 percentage point in the Nation.

In December 1978, the preliminary unemployment rate in Indiana was 5.9 percent. Rates in major metropolitan areas of the State ranged from 5.2 percent in both Indianapolis and Ft. Wayne to 6.6 percent in Evansville. From December 1977 to December 1978, the preliminary unemployment rate increased 2.2 percentage points in Evansville, compared with a statewide increase of only 0.5 percentage point; the increase in Evansville was the largest among all major metropolitan areas in the State. Only one area, Terre Haute, registered a decline—0.5 percentage point—to 3.7 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Indiana

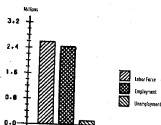


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

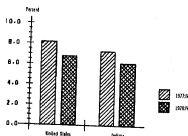


TABLE 4.—Labor Force, United States and Indiana Through Fourth Quarter, 1978

	United States			Indiana			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III–1978:III	1977:IV–1978:IV	1977:III–1978:III	1977:IV–1978:IV
Thousands of persons, not seasonally adjusted ¹										
							Percent change ²			
Employees on nonagricultural payrolls	84,216	87,788	2,137	2,136	2,281	2,213	4.3	4.0	4.2	4.1
Mining	787	899	9	8	10	9	8.2	4.4	14.2	21.3
Construction	4,032	4,488	97	82	107	188	10.4	9.6	11.3	15.3
Manufacturing	19,686	20,722	715	718	737	746	3.1	3.1	3.7	3.9
Transportation, communication, and public utilities	4,761	4,971	186	106	168	198	3.8	1.4	4.4	2.8
Retail trade and other services	19,152	20,015	459	468	478	483	5.3	4.3	4.5	3.2
Finance, insurance, and real estate	15,539	16,315	344	341	395	391	4.6	2.8	4.4	2.8
Government	15,431	15,658	391	348	361	363	2.1	5.9	1.4	4.2
Civilian labor force	96,591	101,405	2,477	2,470	2,583	2,602	3.2	4.3	3.1	5.2
Total employed	92,442	96,010	2,349	2,346	2,443	2,463	4.1	4.0	3.9	4.8
Total unemployed	4,149	5,395	128	124	140	139	9.8	10.8	8.8	12.1
Percent unemployed	4.3	5.3	1.3	5.0	5.4	5.3				

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

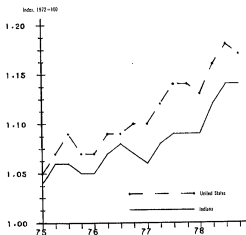


Chart 8.—Civilian Employment

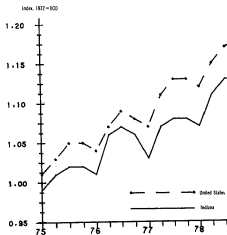


Chart 9.—Unemployment Rate

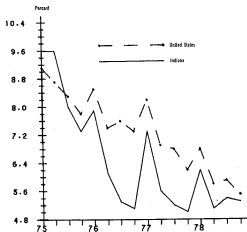
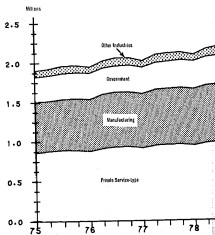


Chart 10.—Industrial Composition of Nonagricultural Employment: India



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Indiana Through Fourth Quarter, 1978

	United States			Indiana			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted ^a						Percent change ^b			
Total loans	638,592	n.a.	13,262	13,691	15,347	n.a.	15.3	15.8	---	---
Commercial and industrial	196,317	n.a.	2,639	2,982	3,288	n.a.	14.2	15.8	---	---
Loans to individuals	146,599	n.a.	3,694	3,722	4,224	n.a.	20.2	17.2	---	---
Residential	177,325	n.a.	5,515	5,765	6,453	n.a.	18.9	17.0	---	---
Other	101,236	n.a.	2,587	2,543	4,070	n.a.	21.3	21.3	---	---
Auto	7,728	n.a.	492	595	546	n.a.	10.7	11.5	---	---
Other, excluding credit cards	88,968	n.a.	1,866	1,711	1,824	n.a.	19.0	10.1	---	---
Other	25,794	n.a.	787	789	826	n.a.	6.8	11.3	---	---
Other	68,947	n.a.	596	482	506	n.a.	8.0	.1	---	---
Total deposits	925,911	n.a.	20,262	21,804	22,314	n.a.	11.5	16.5	---	---
Time and savings	377,883	n.a.	6,913	7,480	6,788	n.a.	10.2	10.7	---	---
Other	547,828	n.a.	14,088	14,312	15,546	n.a.	12.3	18.3	---	---

^a Detail may not add to totals because of rounding.
^b Based on rounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 52.1 percent in Indiana versus 16.8 percent in the Nation (table 6). Only two States—Hawaii and South Dakota—had larger gains. In 1978:IV, contracts in the State totaled \$2.1 billion, for a gain over the year of \$723 million. A \$1.2 billion contract in 1978:IV for an electric generating plant in Spencer County raised the total valuation of contracts to an unusually high level, thereby distorting the year-to-year change. However, a \$450 million contract in 1977:IV for an electric generating plant in Sullivan County offset the distorting effect of the Spencer County contract. If both generating plants are excluded, the total valuation of contracts in the State would have declined about 3 percent.

National construction costs increased about 13 percent; if this increase is representative of cost changes in Indiana, the real valuation of construction contracts (including the generating plants) increased about 39 percent versus a national increase of about 4 percent.

Reflecting the generating plant contracts, the valuation of nonbuilding contracts increased 135.9 percent (\$745 million) versus 22.2 percent in

the Nation. In contrast, the valuation of street and highway construction declined 26.0 percent in Indiana versus a decline of 16.3 percent in the Nation.

The valuation of nonresidential contracts declined 12.8 percent in the State, in sharp contrast to the gain in the Nation of 15.8 percent.

The residential construction market was weak in Indiana. Contradictions and alterations to residential housekeeping units increased 14.6 percent in the State versus 14.6 percent in the Nation. The valuation of residential housekeeping contracts increased 15.6 percent versus a gain of 15.6 percent in the Nation. Forty-six State increases that were larger than Indiana's. The number of dwelling units started declined 20.2 percent. Only four States had larger declines in 1978:IV, 8,657 dwelling units were started in Indiana, for a decline of 2,195 units. Nationally, in contrast, the number of dwelling units started was virtually unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

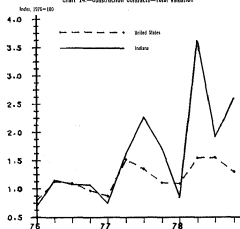


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Indiana

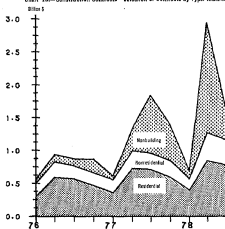


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

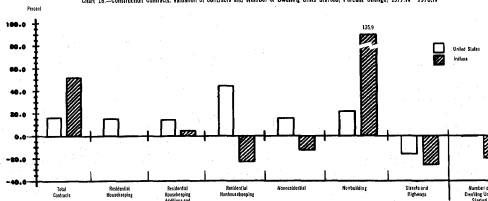


TABLE 6.—Construction Contracts, United States and Indiana Through Fourth Quarter, 1978

TABLE 9.—Construction Contracts, United States and Indiana Through Fourth Quarter, 1978 ¹										
	United States				Indiana			U.S. 1977 IV 1978 IV	State 1977 IV 1978 IV	U.S. 1977 IV 1978 IV
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV				
	Not seasonally adjusted									
Total value of contracts	24,913,111	45,451,773	1,840,266	1,788,558	1,596,768	2,111,595	34.5	-15.4	117	5
Residential housing, additions and alterations:										
Value (thousands of dollars)	2,701,987	8,832,263	257,941	210,854	266,264	221,150	35.8	4.0	116	6
Floor area (thousands of square feet)	31,205,124	36,627,420	1,582,625	1,177,494	1,284,454	1,893,756	14.8	-18.5	174	6
Nonresidential housing:										
Value (thousands of dollars)	484,772	34,162	362	409	389	382	-5.1	-5	-41	-41
Floor area (thousands of square feet)	14,828,596	17,196,516	443,015	371,706	499,200	373,287	15.3	12.7	154	4
Nonresidential nonhousing:										
Value (thousands of dollars)	579,733	641,786	16,912	14,688	16,283	11,516	10.1	9.2	187	-10
Floor area (thousands of square feet)	507	505	37	34	34	34	-10.6	-17.5	-4	-25
Manufacturing:										
Value (thousands of dollars)	338,637	496,279	8,824	6,550	6,832	5,335	9.4	-26.1	487	-157
Floor area (thousands of square feet)	8,487	35,568	232	226	195	175	-7	-14.4	217	-271
Other nonresidential:										
Value (thousands of dollars)	30,758	27,055	1,188	1,310	876	950	-2.5	-17.8	-107	-115
Floor area (thousands of square feet)	9,334,415	10,810,359	251,289	250,610	376,752	218,478	27.6	51.1	158	-112
Highways:										
Value (thousands of dollars)	292,253	318,240	9,254	9,280	8,558	7,109	12.2	-7.6	89	-254
Floor area (thousands of square feet)	36,791	18,278	410	362	427	357	72.4	4.1	-59	87
Other nonresidential:										
Value (thousands of dollars)	6,852,476	8,127,854	680,217	548,428	483,439	1,293,684	-1	-54.2	272	259
Floor area (thousands of square feet)	4,986	4,906	133	31	163	124	8.3	22.6	-378	83
Value (thousands of dollars)	2,308,683	1,831,241	41,314	38,774	41,678	28,708	3.0	3	-25.5	-74

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded figures.

1. Contracts started or expected to start within 60 days.
2. Percent change for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Indiana totaled \$5.7 billion in 1978:IV, up 12.4 percent (\$625 million) since 1977:IV, compared with an 11.2-percent national increase (table 7). In 1978:IV, nondurable goods accounted for \$3.7 billion, and durable goods accounted for \$2.0 billion.

TABLE 7.—Retail Sales, United States and Indiana Through Fourth Quarter, 1978

Indiana Through Fourth Quarter, 1978										
Retail sales	United States			Indiana			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III - 1978:IV		1977:III - 1978:IV	
	Billions of dollars, not seasonally adjusted									
Durable goods	297,630	216,050	4,530	5,942	5,348	5,967	30.3	10.6	18.2	124
Nondurable goods	62,055	71,573	n.a.	n.a.	1,264	1,877	11.8	---	15.1	---
	134,955	147,477	n.a.	n.a.	3,180	3,690	9.6	---	9.7	---
Source: U.S. Department of Commerce										
N.B.: Data not available.										

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Indiana Through Fourth Quarter, 1978

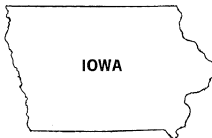
	United States and Indiana Through Fourth Quarter, 1978											
	United States						Indiana		U.S.	State	U.S.	%
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III- 1978:III	1977:IV- 1978:IV				
	Not seasonally adjusted						Percent change					
New business incorporations	109,411	n.a.	2,181	1,948	2,703	n.a.	8.2	28.8	---	---	---	
Total number of business failures	1,684	n.a.	26	43	39	n.a.	-8.5	26.3	---	---	---	
Current liabilities (thousands of dollars)	404,296	n.a.	1,567	7,756	5,563	n.a.	-48.2	51.6	---	---	---	
Average liability per failure (thousands of dollars)	288	n.a.	141	180	168	n.a.	-38.4	19.9	---	---	---	
Business failures by industry												
Mining and manufacturing	240	n.a.	3	2	2	n.a.	-10.1	-23.3	---	---	---	
Construction	319	n.a.	7	16	7	n.a.	1.0	.0	---	---	---	
Wholesale trade	191	n.a.	9	3	4	n.a.	-27.3	-26.1	---	---	---	
Retail trade	688	n.a.	9	13	15	n.a.	-4.2	66.7	---	---	---	
Commercial services	236	n.a.	2	7	5	n.a.	-24.6	150.0	---	---	---	

n.a.: Data not available.
Source: Bureau of Economic Analysis, Inc.

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income	—Up 13.5% vs. 12.6% in U.S., to \$23.7 billion —Payrolls up 17.8% in trade vs. 14.1% in U.S. —Payrolls up 15.0% in services vs. 12.7% in U.S.
Consumer prices	—Up 8.4% in Kansas City and 11.1% in Minneapolis-St. Paul vs. 8.9% in U.S.
Employment	—Up 2.0% vs. 3.9% in U.S., to 1.4 million
Unemployment	—Down 2,000, to 47,000 —Rate down to 3.3% of labor force vs. 5.5% U.S. rate
Construction	—Total valuation of contracts up 1.3% vs. 16.8% in U.S., to \$526.4 million —Valuation of nonbuilding contracts down 26.5% vs. 22.2% increase in U.S. —Number of dwelling-unit starts up 2.7% vs. near stability in U.S., to 5,407

TABLE 1.—Summary of Economic Indicators, United States and Iowa Through Fourth Quarter, 1978

	United States			Iowa			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:IV	1977:III—1978:IV	1977:IV—1978:IV	1977:IV—1978:IV
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,581,508	1,787,519	19,886	28,858	22,918	23,882	12.4	15.1	12.6	12.6
Total wages and salaries (millions of dollars)	1,013,216	1,140,686	11,504	11,781	12,794	13,384	12.1	11.2	12.6	12.6
Civilian employment (thousands)	92,442	96,819	1,356	1,330	1,386	1,366	4.1	2.2	3.9	3.9
Unemployment (thousands)	4,149	5,895	55	49	46	47	-6.8	-12.8	-8.8	-8.8
Percent unemployed (unemployment/labor force)	6.2	5.5	3.8	3.5	3.2	3.3	---	---	---	---
Total taxes (millions of dollars)	910,502	n.a.	8,619	9,388	10,114	n.a.	16.3	12.1	---	---
Total deposits (millions of dollars)	925,511	n.a.	13,443	14,225	14,888	n.a.	11.5	11.2	---	---
Total valuation of construction contracts (thousands of dollars)	38,913,111	40,458,772	576,281	519,881	713,282	526,443	14.5	23.8	16.8	16.8
Dwelling units started (number)	445,772	443,075	6,581	5,266	7,880	5,407	1.8	18.4	-6	-6
Total retail sales (millions of dollars)	197,630	219,028	n.a.	n.a.	n.a.	n.a.	18.1	---	13.2	---
New business incorporations (number)	188,411	n.a.	1,329	1,312	1,234	n.a.	8.2	-7.1	---	---
Business failures (number)	1,884	n.a.	11	12	27	n.a.	-6.5	145.5	---	---
Consumer Price Index (1967=100):										
—U.S. city average	185.3	201.8	---	---	---	---	7.9	---	8.9	---
—Kansas City	---	---	184.6	182.7	194.3	198.1	---	7.4	---	---
—Minneapolis-St. Paul	---	---	184.5	187.0	203.5	207.7	---	10.1	---	---

n.a.: Data not available.

Source: See tables 2 through 8.

Chart 3.—Total Personal Income
(Seasonally adjusted)

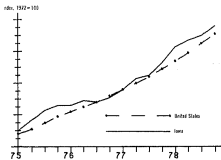


Chart 4.—Industrial Composition of Wages and Salaries: Iowa
(Seasonally adjusted)

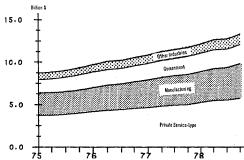


TABLE 2.—Personal Income, United States and Iowa Through Fourth Quarter, 1978

	United States			Iowa			U.S.		Iowa	
							1977:III— 1978:IV		1977:II— 1978:IV	
	1977:IV	1978:IV	1977:II	1977:IV	1978:III	1978:IV				
	Millions of dollars, seasonally adjusted at annual rates ^a						Percent change ^b			
Total personal income	1,503,598	1,782,519	16,906	28,898	22,828	23,613	12.4	15.2	12.6	13.9
Personal income	31,224	35,451	1,671	1,540	1,876	1,963	47.3	84.4	26.3	27.4
Nonpersonal income	1,562,374	1,747,068	18,835	29,318	20,952	21,750	11.3	11.2	12.3	12.4
Total personal income	1,503,598	1,782,519	16,906	28,898	22,828	23,613	12.4	15.2	12.6	13.9
Individuals	1,013,216	1,146,696	11,504	11,780	12,794	13,364	12.3	11.2	12.6	13.4
Corporate income	96,916	111,719	1,078	1,114	1,237	1,295	17.0	14.8	16.4	16.4
Other income	108,953	125,905	2,284	2,722	3,289	3,299	21.5	47.6	18.9	22.1
Government	23,635	31,644	824	1,287	1,794	1,617	66.6	106.8	31.3	30.3
Nonprofit	42,317	54,951	1,262	1,414	1,515	1,623	12.8	12.5	15.3	14.7
Wages, interest, and rent	214,992	242,442	3,372	3,405	3,790	3,766	12.3	11.4	12.8	11.4
Dividend payments	215,944	233,750	2,474	2,548	2,713	2,744	8.8	9.7	4.2	7.7
Unemployment insurance benefits	11,328	7,753	181	140	115	167	-24.0	3.8	-30.3	-23.9
Personal contributions	62,212	71,610	783	780	890	928	14.8	13.7	15.3	15.1
Indifference adjustment	-491	-473	55	58	185	100				
Individuals	1,013,216	1,146,696	11,504	11,780	12,794	13,364	12.3	11.2	12.6	13.4
Corporate income	7,776	7,939	240	246	263	277	8.5	9.9	10.6	12.7
Other income	1,006,040	1,132,757	11,265	11,535	12,531	13,080	12.1	11.2	12.6	13.5
Government	14,548	18,813	33	31	47	46	26.5	18.8	33.0	33.6
Nonprofit	55,668	66,858	749	753	876	891	19.1	14.4	20.1	18.1
Wages, interest, and rent	278,117	312,078	3,554	3,582	3,825	4,053	12.1	9.2	12.3	14.0
Dividend payments	178,216	203,853	2,297	2,376	2,438	2,465	13.7	8.0	15.2	14.6
Unemployment benefits	99,896	105,917	1,247	1,256	1,385	1,419	9.4	11.2	15.0	13.9
Personal contributions	452,764	515,348	4,933	5,023	5,589	5,785	12.8	13.3	13.1	15.7
Indifference adjustment	75,584	85,264	824	823	883	907	10.4	7.2	11.3	10.2
Wholesale and retail trade	172,888	195,035	2,144	2,174	2,481	2,593	13.6	15.7	14.1	17.8
Finance, insurance, and real estate	34,452	41,653	580	650	688	676	14.1	13.6	13.2	12.8
Services	153,869	173,295	1,986	1,426	1,567	1,448	12.6	13.1	12.7	15.6
Government	250,252	215,963	2,033	2,324	2,173	2,255	7.4	7.1	6.6	6.1
Federal	48,176	73,003	320	353	367	384	7.3	14.8	7.1	8.9
State and local	133,076	142,960	1,713	1,771	1,806	1,871	7.5	6.6	6.8	5.9
Other	3,216	3,688	25	25	28	28	18.7	12.1	14.6	9.6

^a Detail may not add to totals because of rounding.
^b Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Iowa Through Fourth Quarter, 1978^a

	United States			Iowa			U.S.		U.S.		State	
	1977:IV	1978:IV	1977:II	1977:IV	1978:III	1978:IV	1977:III— 1978:IV		1977:II— 1978:IV			
	Index, 1967=100, not seasonally adjusted						Percent change					
U.S. city average ^a	265.3	261.8	---	---	---	---	7.8	---	8.9	---	---	---
City	---	---	260.8	262.7	264.3	266.1	---	7.8	---	8.4	---	---
Goods—St. Paul	---	---	264.5	267.8	263.5	267.7	---	10.3	---	13.1	---	---

Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
Note for 85 representative urban areas based on the 1970 Census of Population.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

U.S. Department of Labor, Bureau of Labor Statistics.

Labor Force

From 1977:IV to 1978:IV, Iowa's civilian labor force increased 1.8 percent versus 3.1 percent nationally (table 4). Total employment increased 2.0 percent versus 3.9 percent nationally, to 1.4 million. Iowa's percent increase was one of the smallest in the Nation.

With employment increasing by 27,000 and the labor force increasing by 25,000, the number of unemployed declined by 2,000, to 47,000. Iowa's unemployment rate declined 0.2 percentage point, to 3.3 percent of the labor force, the fifth lowest rate in the Nation. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Among Iowa's major metropolitan areas, preliminary unemployment rates for December 1978, when the State's rate was 4.2 percent, ranged from 6.7 percent in Sioux City to 3.4 percent in Cedar Rapids. In Des Moines, the State's largest metropolitan area, the preliminary unemployment rate was 3.8 percent. From December 1977 to December 1978, the unemployment rate increased 1.7 percentage points in Sioux City, compared with an increase of only 0.2 percentage point statewide; Sioux City's increase was the largest among the State's major metropolitan areas.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Iowa

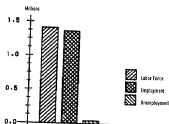


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

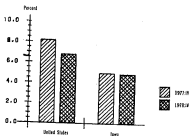


Chart 7.—Civilian Labor Force

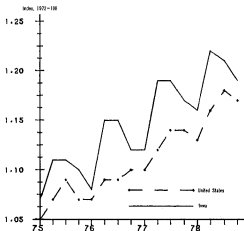


Chart 8.—Civilian Employment

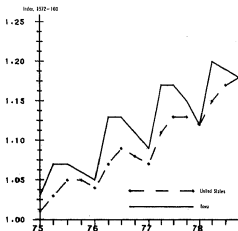


Chart 9.—Unemployment Rate

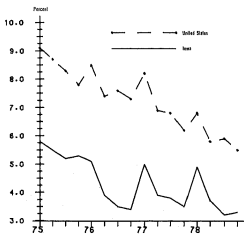
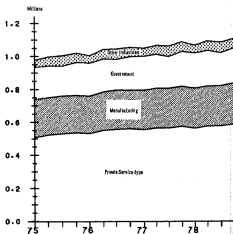


Chart 10.—Industrial Composition of Nonagricultural Employment: Iowa



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Iowa Through Fourth Quarter, 1978

	United States			Iowa			U.S.	State	U.S.	State
	1977:IV	1978:IV	1972:II	1972:IV	1976:II	1978:IV	1977:II— 1978:II		1977:IV— 1978:IV	
	Billions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	618,562	n.a.	9,019	9,398	10,114	n.a.	16.3	12.3	—	—
Commercial and industrial	196,317	n.a.	1,826	1,869	2,656	n.a.	14.2	12.8	—	—
Loans to individuals	149,589	n.a.	1,697	1,768	1,937	n.a.	20.2	15.3	—	—
Real estate	172,635	n.a.	2,505	2,624	2,917	n.a.	19.9	16.7	—	—
Residential	181,236	n.a.	1,458	1,548	1,799	n.a.	21.3	23.3	—	—
Automobile	3,731	n.a.	323	330	348	n.a.	10.7	7.8	—	—
Other	68,908	n.a.	729	745	825	n.a.	19.0	14.2	—	—
Farm, excluding real estate	25,704	n.a.	2,717	2,779	2,896	n.a.	6.8	4.4	—	—
Other	69,947	n.a.	275	279	290	n.a.	8.6	5.5	—	—
Total deposits	925,101	n.a.	12,483	14,225	14,996	n.a.	11.5	11.2	—	—
Demand	377,683	n.a.	3,827	4,484	4,425	n.a.	10.2	12.7	—	—
Time and savings	547,828	n.a.	8,557	9,741	10,573	n.a.	12.8	10.8	—	—

1. Data may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased only 1.3 percent (\$6.6 million), to \$526.4 million (table 6). Iowa's increase was exceeded by increases in 41 States. The national increase was 16.8 percent. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the total valuation of contracts in Iowa sustained a real decline of about 12 percent versus a real increase in the Nation of about 4 percent.

Nonbuilding contracts declined 26.5 percent in valuation, compared with a 22.2-percent national increase. The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 17.5 percent in the State and 16.3 percent nationally.

Nonresidential contracts increased only 3.2 percent in valuation versus 15.8 percent nationally.

The valuation of residential housekeeping additions and alterations was almost unchanged from year to year, compared with a 14.6-percent national increase. Forty-two States registered increases that were larger than Iowa's. Residential housekeeping contracts, in contrast, increased 16.8 percent in valuation versus 15.6 percent nationally. The number of dwelling units started increased 2.7 percent (141 units) in the State, to 5,407 units. Nationally, the number of dwelling units started was almost unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

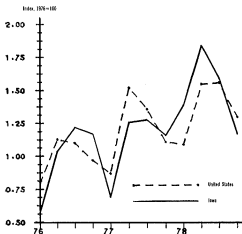


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Iowa

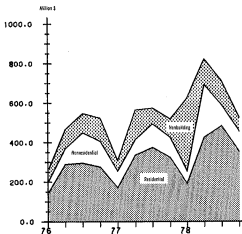


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

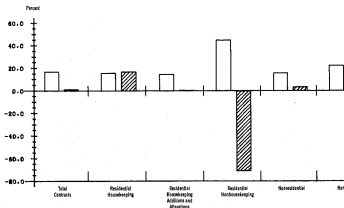


TABLE 6.—Construction Contracts, United States and Iowa Through Fourth Quarter, 1978^a

	United States			Iowa			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III-1978:III	1977:IV-1978:IV		
	Not seasonally adjusted						Percent change ^b			
Total value of contracts	38,913,111	45,456,773	576,283	518,681	713,293	538,443	14.5	23.4	18.4	1.3
Residential housing, additions and alterations:										
Value (thousands of dollars)	7,707,587	8,832,353	137,919	128,506	158,508	125,084	15.8	13.5	14.6	.1
All other contracts:										
Number of contracts	62,389	56,928	1,317	1,057	1,188	875	4.4	-10.6	-9.3	-7.8
Value (thousands of dollars)	31,208,124	36,621,420	438,362	391,173	556,755	397,439	14.0	27.0	17.4	1.5
Floor area (thousands of square feet)	861,403	971,596	12,444	10,833	14,776	11,325	10.8	18.7	16.2	4.6
Number of contracts	14,825	14,192	408	405	392	388	-5.1	-3.0	-4.2	-4.1
Value (thousands of dollars)	446,772	443,075	6,961	5,786	7,843	5,487	1.6	19.4	-4	2.3
Floor area (thousands of square feet)	14,879,596	17,198,528	232,699	190,023	322,961	221,679	15.3	38.6	19.5	16.8
Residential remodeling:										
Number of contracts	567	505	10	7	5	5	-16.0	-58.0	-4	-28.6
Value (thousands of dollars)	338,637	498,279	4,782	5,856	8,582	1,610	9.4	37.6	44.8	-71.2
Floor area (thousands of square feet)	8,487	10,580	158	152	46	99	-7	-70.7	24.7	-87.5
Nonresidential:										
Number of contracts	30,758	27,655	394	372	398	337	-2.5	-17.3	-12.0	-10.8
Value (thousands of dollars)	9,234,415	10,836,768	118,994	101,063	104,095	104,274	27.6	-12.5	15.8	3.2
Floor area (thousands of square feet)	292,253	319,249	3,671	3,681	3,655	3,321	12.2	-16.8	8.9	-7.8
Number of contracts	16,701	15,178	466	271	445	252	22.4	-19.8	-9.1	-7.7
Value (thousands of dollars)	6,852,476	8,127,854	81,677	94,615	133,178	89,559	-1.1	50.8	22.2	-26.5
Streets and highways:										
Number of contracts	4,984	4,999	233	77	149	80	9.3	-38.1	-17.8	-22.1
Value (thousands of dollars)	2,506,681	1,874,341	45,788	31,725	44,738	26,381	3.0	-2.3	-16.8	-17.5

1. Contracts started or expected to start within 60 days.
2. Percent change for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE: Data for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Iowa are not available.

TABLE 7.—Retail Sales, United States and Iowa Through Fourth Quarter, 1978

	United States			Iowa			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III-1978:III	1977:IV-1978:IV		
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	157,836	219,620	n.a.	n.a.	n.a.	n.a.	16.3	---	11.2	---
Durable goods	62,965	71,573	n.a.	n.a.	n.a.	n.a.	18.8	---	15.2	---
Nondurable goods	134,965	147,447	n.a.	n.a.	n.a.	n.a.	9.6	---	9.2	---

n.a.: Data not available.

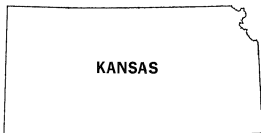
Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Iowa Through Fourth Quarter, 1978

	United States			Iowa			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III-1978:III	1977:IV-1978:IV		
	Not seasonally adjusted						Percent change			
New business incorporations	109,401	n.a.	1,389	1,312	1,234	n.a.	8.2	-7.1	---	---
Total number of business failures	1,844	n.a.	11	12	27	n.a.	-9.5	145.5	---	---
Net liabilities (thousands of dollars)	484,296	n.a.	1,087	4,341	25,310	n.a.	-44.2	---	---	---
Net liabilities by year failure (thousands of dollars)	288	n.a.	99	282	937	n.a.	-38.4	848.5	---	---
Business failures by industry										
Food and kindred products	240	n.a.	8	3	5	n.a.	-10.1	---	---	---
Textile mill	389	n.a.	3	2	4	n.a.	-27.1	---	---	---
Trade	191	n.a.	4	0	4	n.a.	1.0	33.3	---	---
Personal services	688	n.a.	3	8	13	n.a.	-4.2	333.3	---	---
Other	238	n.a.	1	1	1	n.a.	-24.9	---	---	---

n.a.: Data not available.
Source: Dun & Bradstreet, Inc.

NOTE: This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

- Personal income** —Up 12.3% vs. 12.6% in U.S., to \$20.0 billion
 —Payrolls up 24.2% in durables manufacturing vs. 15.2% in U.S.
- Consumer prices** —Up 8.4% in Kansas City vs. 8.9% in U.S.
- Employment** —Up 5.1% vs. 3.9% in U.S., to 1.1 million
- Unemployment** —Down 13,000, to 30,000
 —Rate down to 2.6% of labor force vs. 5.5% U.S. rate
- Construction** —Total valuation of contracts up 3.2% vs. 16.8% in U.S., to \$497.7 million
 —Valuation of nonbuilding contracts down 20.4% vs. 22.2% increase in U.S.
 —Number of dwelling-unit starts up 4.1% vs. near stability in U.S., to 4,718

TABLE 1.—Summary of Economic Indicators, United States and Kansas Through Fourth Quarter, 1978

	United States			Kansas			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV 1978:III
	All indicators, except income, not seasonally adjusted						Percent change		
Total personal income (millions of dollars)	1,583,508	1,782,519	16,641	17,848	18,857	28,040	12.4	13.3	12.6
Total wages and salaries (millions of dollars)	1,013,216	1,144,896	8,264	9,558	10,504	18,815	12.1	13.4	12.6
Durable employment (thousands)	92,442	98,819	1,992	1,894	1,127	1,128	4.1	3.3	3.9
Unemployment (thousands)	6,148	5,695	45	43	34	30	-8.8	-24.6	-8.8
Percent unemployed (unemployment/labor force)	6.2	5.5	4.9	2.8	2.9	2.6	—	—	—
Total loans (millions of dollars)	610,902	n.a.	6,358	6,604	7,288	n.a.	16.3	14.5	—
Total deposits (millions of dollars)	625,511	n.a.	10,938	10,804	10,947	n.a.	11.5	9.1	—
Total valuation of construction contracts (thousands of dollars)	38,613,111	45,456,773	867,924	482,016	566,628	497,582	14.5	-15.2	18.8
Dwelling units started (thousands)	445,772	443,075	4,501	4,534	5,856	4,718	1.0	19.8	-6
Total retail sales (millions of dollars)	187,430	219,020	n.a.	n.a.	n.a.	n.a.	16.3	—	11.2
New business incorporations (number)	109,411	n.a.	1,659	1,034	874	n.a.	8.2	-17.5	—
Business failures (number)	1,484	n.a.	20	22	17	n.a.	-6.5	-15.0	—
Consumer Price Index (1967=100):									
U.S. city average	185.3	201.8	—	—	—	—	7.5	—	8.9
Kansas City	—	—	180.6	182.7	194.3	198.1	—	7.6	—

n.a.: Data not available.

Source: See tables 2 through 8.

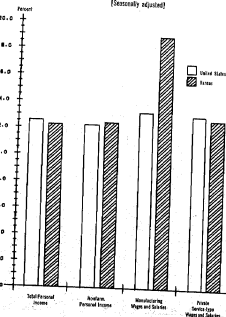
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 12.3 percent from 1977:IV to 1978:IV versus 12.6 percent nationally (table 2). In 1978:IV, the State's personal income totaled \$20.0 billion, up \$2.2 billion since 1977:IV. Concurrently, farm personal income increased 8.9 percent in the State versus 26.3 percent nationally, and nonfarm personal income increased 12.5 percent, or slightly more than nationally. Since the most recent national business cycle peak in 1973:IV, Kansas' nonfarm economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 13 percent more rapid than nationally, ranking Kansas 21st among all States.

From 1977:IV to 1978:IV, the Consumer Price Index for the Kansas City metropolitan area increased 8.4 percent versus an 8.9-percent national city average increase (table 3). If Kansas City's index is used as an indicator for price movements in the State, real total personal income in Kansas increased 3.9 percent versus 3.7 percent nationally.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)



Wage and salary disbursements (payrolls) increased 13.2 percent in the State versus 12.6 percent nationally. In 1978:IV, they totaled \$10.8 billion, up \$1.3 billion since 1977:IV. Durable goods manufacturing payrolls increased 24.2 percent, the fifth largest increase in the Nation, versus 15.2 percent nationally. The increase in durables payrolls accounted for over one-fourth of the year-to-year increase in all payrolls in the State. In contrast, nondurable goods manufacturing payrolls increased 10.2 percent in the State, only fractionally more than nationally.

Payrolls in construction increased 20.8 percent in Kansas, compared with a 20.1-percent national gain.

In the private service-type industry group, payrolls increased 12.8 percent, 0.3 percentage point less rapidly than in the Nation. In transportation-communication-public utilities, payrolls increased 10.7 percent versus 11.3 percent nationally, and in finance-insurance-real estate, payrolls increased 11.7 percent versus 13.2 percent nationally. Services payrolls increased 12.7 percent both statewide and nationally. In contrast, trade payrolls increased slightly more in the State, 14.4 percent, than nationally, 14.1 percent.

State and local government payrolls in Kansas registered the fourth smallest increase in the Nation, 2.9 percent, compared with a national increase of 6.8 percent. Federal Government payrolls increased 6.5 percent in Kansas, 0.6 percentage point less than nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 36.8 percent in Kansas and 30.3 percent nationally.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

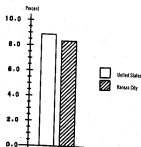


Chart 3.—Total Personal Income
[Seasonally adjusted]

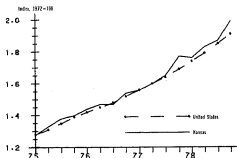


Chart 4.—Industrial Composition of Wages and Salaries: Kansas
[Seasonally adjusted]

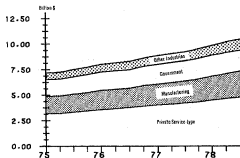


TABLE 2.—Personal Income, United States and Kansas Through Fourth Quarter, 1978

	United States			Kansas			U.S. State		U.S.
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III		1977:IV
							Percent change ²		
	Millions of dollars, seasonally adjusted at annual rates ¹								
Total personal income	1,583,506	1,782,514	16,441	17,440	18,857	20,040	12.4	12.3	12.6
From personal income	31,224	29,451	481	1,217	681	1,325	47.9	41.5	26.3
Nonfarm personal income	1,552,284	1,743,058	16,180	16,631	18,176	18,715	11.5	12.5	12.8
Total personal income	1,583,506	1,782,514	16,441	17,440	18,857	20,040	12.4	12.3	12.6
Wage and salary disbursements	1,013,216	1,140,686	9,264	9,558	10,504	10,815	12.1	12.4	12.6
Other labor income	56,016	111,719	684	478	1,065	1,088	17.8	20.5	16.4
Proprietors' income	105,933	125,895	1,559	2,317	1,921	2,322	21.5	23.2	18.9
Farms	33,636	31,044	343	1,074	329	1,185	66.6	54.4	31.3
Nonfarms	82,297	94,851	1,216	1,243	1,391	1,456	12.8	14.4	15.3
Dividends, interest, and rent	214,992	242,442	2,789	2,862	3,112	3,220	12.3	11.8	12.8
Taxable payments	215,344	233,759	2,082	2,125	2,267	2,297	6.8	6.6	8.2
State unemployment insurance benefits	11,123	7,753	78	80	51	51	-24.0	-35.3	-30.3
Less: personal contributions	62,212	71,610	653	701	814	876	14.8	17.5	15.1
Plus: residence adjustment	-481	-473	755	766	898	837	-	-	-
Wage and salary disbursements	1,013,216	1,140,686	9,264	9,558	10,504	10,815	12.1	12.4	12.6
Farms	7,176	7,539	125	139	147	154	8.5	9.3	10.6
Nonfarm	1,006,040	1,132,757	9,139	9,419	10,357	10,661	12.1	12.4	12.6
Mining	14,048	18,813	180	170	210	215	26.5	21.4	23.9
Construction	55,649	66,858	572	586	699	722	18.1	22.1	20.1
Manufacturing	276,102	312,970	2,156	2,238	2,565	2,664	12.1	13.3	13.3
Durable goods	176,205	203,053	1,346	1,416	1,675	1,758	11.7	14.1	15.2
Non-durable goods	99,895	109,917	810	822	890	906	8.4	10.8	10.0
Private service-type	455,754	545,348	4,254	4,257	4,825	4,918	12.8	12.9	13.1
Transportation, communication, and public utilities	76,584	85,264	874	904	971	1,031	14.4	11.0	11.3
Wholesale and retail trade	170,886	195,035	1,714	1,750	1,960	2,001	13.6	14.4	14.1
Finance, insurance, and real estate	54,452	61,653	454	472	518	528	14.1	14.2	13.2
Services	153,840	173,396	1,213	1,231	1,356	1,386	12.8	11.8	12.7
Government	201,252	215,083	1,849	2,030	2,049	2,115	7.4	4.1	6.9
Federal	98,176	73,353	677	711	715	752	7.3	5.8	7.1
State and local	133,076	141,730	1,172	1,319	1,334	1,363	7.5	3.2	6.8
Other	3,216	2,683	25	26	29	28	18.7	15.7	14.6

1. Detail may not add to totals because of rounding.
2. Based on rounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Kansas Through Fourth Quarter, 1978¹

	United States			Kansas			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV
	Index, 1967=100, not seasonally adjusted						Percent change		
U.S. city average ²	185.3	201.8	188.6	182.7	194.3	198.1	7.5	7.8	8.3
Kansas City	185.3	201.8	188.6	182.7	194.3	198.1	7.5	7.8	8.3

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unreleased data are used for the quarters prior to January 1978, and revised data are used for subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

from 1977:IV to 1978:IV, Kansas' civilian labor force increased 3.8 percent versus 3.1 percent nationally (table 4). Total employment eased 5.1 percent versus 3.9 percent nationally, to more than 1.1 mil-

lion with employment increasing by about 55,000 and the labor force easing by about 43,000, the number of unemployed declined between 190,000 and 13,000, to 30,000. Kansas' unemployment rate declined 1.2 percentage points, to 2.6 percent of the labor force; this was the lowest unemployment rate in the Nation, along with the 2.6-percent rate

registered in South Dakota. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

According to preliminary data for December 1978, when the State's unemployment rate was 2.7 percent, the unemployment rate was 3.4 percent in Topeka and 2.6 percent in Wichita. From December 1977 to December 1978, the State's unemployment rate declined 1.0 percentage point; the rates in Topeka and Wichita declined 0.6 percentage point and 1.5 percentage points, respectively.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Kansas

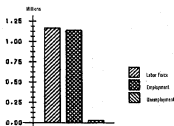


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

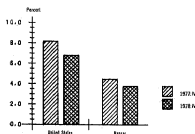


TABLE 4.—Labor Force, United States and Kansas Through Fourth Quarter, 1978

	United States			Kansas			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:III—1978:IV	1977:III—1978:IV	1977:III—1978:IV
	Thousands of persons, not seasonally adjusted ^a						Percent change ^b			
Employees on nonagricultural payrolls	84,210	87,308	877	892	916	830	4.3	4.5	4.2	4.2
Construction	767	899	12	12	13	13	8.2	6.6	14.2	4.9
Manufacturing	4,032	4,488	46	47	51	46	10.4	3.7	11.3	3.4
Wholesale and retail trade	15,988	20,722	175	175	189	193	3.1	1.6	3.7	9.9
Transportation, communication, and public utilities	4,761	4,871	80	61	64	64	3.8	6.6	4.4	5.6
Finance and insurance, and real estate	15,152	20,015	213	220	222	226	3.3	4.6	4.5	1.9
Government	4,852	4,754	45	44	46	46	4.8	2.7	-2.6	2.5
Unemployed	15,538	16,715	152	150	158	158	4.6	4.8	4.4	5.1
Unemployed on nonagricultural payrolls	15,434	16,484	170	161	173	183	2.1	2.1	1.4	.9
Civilian labor force ^c	99,590	101,415	1,137	1,117	1,161	1,176	3.2	2.2	3.1	3.9
Employed	92,442	96,009	1,082	1,034	1,127	1,139	4.1	3.3	3.9	5.1
Unemployed	6,148	5,405	45	43	34	30	-9.8	-24.6	-8.8	-29.4
Unemployed on nonagricultural payrolls	6.2	5.5	4.0	3.8	2.8	2.6	-	-	-	-

^a Data may not add to totals because of rounding.

^b Based on unrounded data.

^c Beginning January 1978, these data are being estimated by new methods, using more current data. This is a break in the series, and users are advised to exercise caution when making comparisons over time. Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

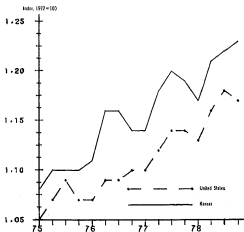


Chart 8.—Civilian Employment

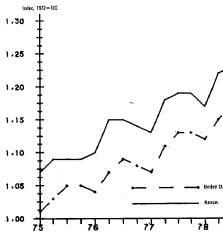


Chart 9.—Unemployment Rate

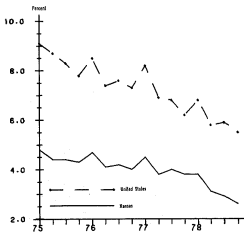
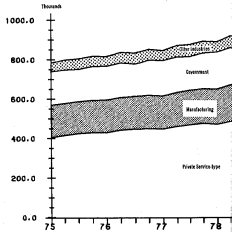


Chart 10.—Industrial Composition of Nonagricultural Employment: Kansas



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Kansas Through Fourth Quarter, 1978

	United States			Kansas			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	610,562	n.a.	6,358	5,696	7,280	n.a.	16.3	14.5	—	—
Commercial and industrial	196,317	n.a.	1,546	1,692	1,781	n.a.	14.2	15.2	—	—
Loans to individuals	140,589	n.a.	1,450	1,497	1,884	n.a.	20.2	14.1	—	—
Real estate	177,635	n.a.	1,287	1,351	1,615	n.a.	19.9	25.4	—	—
Automobile	101,236	n.a.	989	624	743	n.a.	21.3	28.2	—	—
Other	7,731	n.a.	186	203	215	n.a.	10.7	9.8	—	—
Other	68,648	n.a.	500	534	657	n.a.	18.0	38.6	—	—
Other, excluding real estate	25,394	n.a.	1,614	1,661	1,705	n.a.	6.8	5.6	—	—
Other	48,947	n.a.	255	285	255	n.a.	8.6	13.8	—	—
Total deposits	875,911	n.a.	16,036	16,004	19,947	n.a.	11.5	9.1	—	—
Checking	377,683	n.a.	3,487	4,318	3,796	n.a.	10.2	8.9	—	—
Savings	547,829	n.a.	6,551	6,686	7,151	n.a.	12.3	9.2	—	—

1. Origin may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased only 3.2 percent (\$15.6 million), to \$497.7 million (table 6). The national increase was 16.8 percent. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the total valuation of contracts in Kansas sustained a real decline of about 10 percent, compared with a real increase in the Nation of about 4 percent.

Nonbuilding contracts declined 20.4 percent in valuation versus a 22.2-percent national increase. The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 30.1 percent, compared with a U.S. decline of 16.3 percent.

Nonresidential contracts increased 4.7 percent in valuation, less than one-third of the national increase.

Contracts for additions and alterations to residential housekeeping units increased only 1.2 percent in valuation versus 14.6 percent nationally. The valuation of residential housekeeping contracts, in contrast, increased 17.2 percent, 1.6 percentage points more than nationally. The number of dwelling units started increased 4.1 percent (184 units), to 4,718 units. Nationally, the number of dwelling units started was almost unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

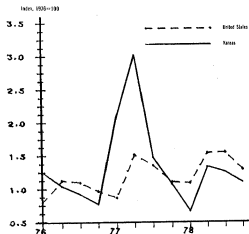


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Kansas

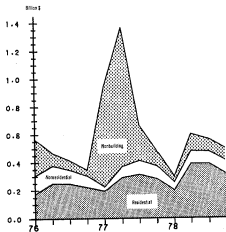


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

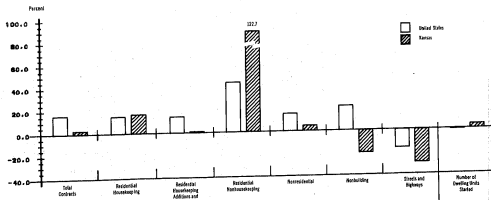


TABLE 6.—Construction Contracts, United States and Kansas Through Fourth Quarter, 1978¹

	United States			Kansas			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Not seasonally adjusted						Percent change ²			
Total value of contracts	38,813,110	45,469,773	647,824	482,836	565,628	497,682	14.5	-15.2	16.8	3.2
Nonresidential housing, additions and alterations (thousands of dollars)	7,707,987	8,837,353	111,245	167,073	175,321	103,292	16.8	10.7	14.6	1.2
All other contracts										
Number of contracts	62,789	56,938	1,601	1,621	934	893	4.4	-13.8	-9.3	-13.4
Value in thousands of dollars	30,205,124	36,627,450	954,679	378,963	441,307	384,389	14.0	-20.4	17.4	3.8
Floor area (thousands of square feet)	881,453	971,586	11,226	9,952	12,384	10,891	18.8	13.1	16.2	9.6
Residential housing										
Number of contracts	14,825	14,180	392	384	365	366	-5.1	-6.9	-4.2	-7.6
Value in thousands of dollars	448,722	443,075	4,981	4,534	5,859	4,718	1.8	19.5	-6	1.1
Floor area (thousands of square feet)	14,875,696	17,158,518	188,821	178,356	261,647	208,583	15.3	31.6	15.5	17.2
Nonresidential housing										
Number of contracts	507	505	4	4	4	8	-10.0	.8	-4	106.0
Value in thousands of dollars	318,637	406,279	1,813	1,191	3,893	2,563	8.4	134.0	41.8	127.7
Floor area (thousands of square feet)	8,467	16,560	76	28	181	95	-7	33.5	24.7	93.0
Nonresidential										
Number of contracts	30,796	27,655	338	320	259	223	-2.5	-23.4	-12.9	-30.3
Value in thousands of dollars	9,134,415	10,816,769	302,843	91,776	88,940	95,664	27.6	-12.8	15.8	4.7
Floor area (thousands of square feet)	293,293	318,240	2,733	3,687	2,710	3,825	12.2	-25.8	8.5	-1.9
Streets and highways										
Number of contracts	16,701	15,174	356	311	364	296	22.4	-12.6	-9.1	-4.8
Value in thousands of dollars	6,852,475	8,127,864	252,062	188,281	86,648	86,188	-1	-85.5	22.2	-20.4
Number of contracts	4,886	4,088	116	89	101	74	9.3	-12.5	-17.8	-14.6
Value in thousands of dollars	2,388,661	1,931,341	50,287	51,284	35,995	35,872	3.0	-30.3	-16.3	-39.1

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Order for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Kansas are not available.

TABLE 7.—Retail Sales, United States and Kansas Through Fourth Quarter, 1978

	United States			Kansas			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	197,030	218,028	n.a.	n.a.	n.a.	n.a.	10.3	—	11.2	—
Durable goods	62,065	71,573	n.a.	n.a.	n.a.	n.a.	11.8	—	15.3	—
Nondurable goods	134,965	147,447	n.a.	n.a.	n.a.	n.a.	8.6	—	8.2	—

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

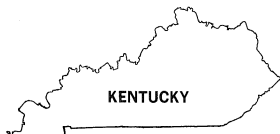
TABLE 8.—Business Incorporations and Failures, United States and Kansas Through Fourth Quarter, 1978

	United States			Kansas			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Not seasonally adjusted						Percent change			
New business incorporations	398,411	n.a.	1,099	1,894	874	n.a.	8.2	-17.5	—	—
Total number of business failures	1,884	n.a.	20	22	17	n.a.	-8.5	-15.0	—	—
Current liabilities (thousands of dollars)	484,295	n.a.	3,406	1,942	2,467	n.a.	-44.2	-27.5	—	—
Average liability per failure (thousands of dollars)	258	n.a.	178	88	145	n.a.	-38.4	-14.7	—	—
Business failures by industry										
Mining and manufacturing	548	n.a.	1	0	2	n.a.	-10.1	100.0	—	—
Construction	319	n.a.	5	5	5	n.a.	1.0	.0	—	—
Retail trade	181	n.a.	6	5	3	n.a.	-27.1	—	—	—
Commercial services	689	n.a.	10	10	6	n.a.	-4.2	-40.0	—	—
	238	n.a.	4	2	1	n.a.	-24.0	-75.0	—	—

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

- Personal income** —Up 13.2% vs. 12.6% in U.S., to \$24.4 billion.
 —Farm personal income down 23.7% vs. 26.3% increase in U.S.
 —Payrolls up 20.0% in trade vs. 14.1% in U.S.
- Consumer prices** —Up 11.1% in Cincinnati vs. 8.9% in U.S.
- Employment** —Up 0.8% vs. 3.9% in U.S., to 1.5 million
- Unemployment** —Up 8,000, to 77,000
 —Rate up to 4.9% of labor force vs. 5.5% U.S. rate
- Construction** —Total valuation of contracts up 31.1% vs. 16.8% in U.S., to \$1.0 billion
 —Valuation of nonbuilding contracts up 45.3% vs. 22.2% in U.S.
 —Number of dwelling-unit starts little changed, as in U.S., at 8,308

TABLE 1.—Summary of Economic Indicators, United States and Kentucky Through Fourth Quarter, 1978

	United States			Kentucky			U.S.	State	U.S.	%
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III		1977:IV—1978:IV	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars).....	1,583,588	1,787,519	20,869	21,573	23,695	24,418	12.4	13.5	12.8	
Total wages and salaries (millions of dollars).....	1,813,216	1,740,698	32,699	13,871	14,371	15,024	12.1	13.2	12.8	
Civilian employment (thousands).....	32,442	36,010	1,475	1,490	1,515	1,503	4.1	2.7	3.6	
Unemployment (thousands).....	6,149	5,695	63	69	81	77	-9.8	28.1	-8.8	
Percent unemployed (unemployment/labor force).....	6.2	5.5	4.1	4.5	5.1	4.9	---	---	---	
Total loans (millions of dollars).....	610,302	n.a.	7,521	7,851	5,007	n.a.	18.3	19.8	---	
Total deposits (millions of dollars).....	925,511	n.a.	11,285	12,182	12,622	n.a.	11.5	12.8	---	
Total valuation of construction contracts (thousands of dollars).....	38,513,111	45,454,773	716,747	762,639	1,328,243	1,006,119	14.5	70.7	18.8	
Dwelling units started (number).....	445,772	443,675	5,202	6,363	9,726	8,308	1.0	5.7	-6	
Total retail sales (millions of dollars).....	197,030	218,603	n.a.	n.a.	n.a.	n.a.	10.3	---	11.2	
New business incorporations (number).....	108,411	n.a.	1,357	1,270	1,761	n.a.	8.3	-5.6	---	
Business failures (number).....	1,684	n.a.	22	18	26	n.a.	-9.5	18.2	---	
Consumer Price Index (1967=100):										
U.S. city average.....	185.3	201.4	---	---	---	---	7.9	---	8.9	
Cincinnati.....	---	---	185.2	188.7	202.2	207.5	---	9.2	---	

n.a.: Data not available.

Source: See tables 2 through 8.

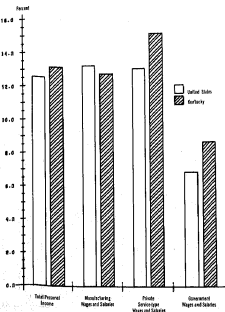
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 13.2 percent from 1977:IV to 1978:IV, compared with a 12.6-percent national increase (table 2). In 1978:IV, the State's personal income totaled \$24.4 billion, up \$2.8 billion since 1977:IV. Kentucky's increase in total personal income would have been larger had it not been for a 23.7-percent decline in farm personal income, the second largest decline in the Nation, compared with a national increase of 26.3 percent. The State's nonfarm personal income increased 14.2 percent from year to year versus 12.3 percent nationally. Since the most recent national business cycle peak in 1973:IV, Kentucky's economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 21 percent more than nationally, ranking Kentucky 12th among all States.

From 1977:IV to 1978:IV, the Consumer Price Index for the Cincinnati metropolitan area increased 11.1 percent versus an 8.9-percent national city average increase (table 3). If Cincinnati's index is used as an indicator for price movements in the State, real total personal income in Kentucky increased only 2.1 percent from year to year versus 3.7 percent nationally.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)



Wage and salary disbursements (payrolls) increased 14.9 percent in the State, one of the largest increases in the Nation, compared with a national increase of 12.6 percent.

Within Kentucky's private service-type industry group, trade payrolls increased 20.0 percent from year to year, almost 6 percentage points more than nationally; Kentucky's increase was the sixth largest in the Nation. The dollar increase in trade payrolls accounted for one-fifth of the year-to-year increase in all payrolls in the State. Payrolls in transportation-communication-public utilities increased 11.5 percent versus 11.3 percent nationally, and services payrolls increased 12.9 percent versus 12.7 percent nationally. In contrast, payrolls in finance-insurance-real estate increased 9.8 percent, compared with a 13.2-percent increase nationally; Kentucky's increase ranked 43rd in the Nation.

State and local government payrolls increased 12.0 percent in Kentucky, the sixth largest increase in the Nation; nationally, State and local government payrolls increased 6.8 percent. In contrast, Federal Government payrolls increased 4.1 percent, one of the smallest increases in the Nation, compared with a national increase of 7.1 percent.

Payrolls in the construction industry increased 26.0 percent in the State versus 20.1 percent nationally. Mining payrolls increased 31.2 percent versus 33.9 percent nationally; the dollar increase in mining payrolls accounted for 15 percent of the year-to-year increase in all payrolls in the State.

Durable goods manufacturing payrolls increased 16.4 percent, 1.2 percentage points more than nationally. In contrast, nondurable goods manufacturing payrolls increased 7.1 percent, one of the smallest increases in the Nation, compared with a 10.0-percent national increase.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 37.2 percent in Kentucky and 30.3 percent nationally.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

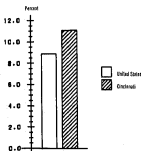


Chart 3.—Total Personal Income
(Seasonally adjusted)

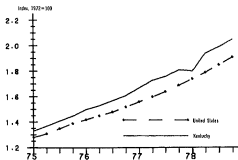


Chart 4.—Industrial Composition of Wages and Salaries: Kentucky
(Seasonally adjusted)

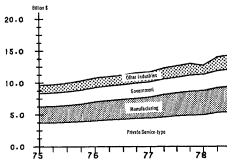


TABLE 2.—Personal Income, United States and Kentucky Through Fourth Quarter, 1978

	United States			Kentucky			U.S. State			U.S.
	1977:IV			1978:IV			1978:IV			1978:IV
	1977:III			1977:III			1977:III			1977:III
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,583,508	1,782,519	20,869	21,573	23,695	24,418	12.4	13.5	12.4	
Form personal income	31,224	38,451	463	571	669	436	47.9	31.6	26.3	
Nonfarm personal income	1,552,284	1,743,068	20,406	21,001	23,026	23,982	11.9	13.1	12.3	
Total personal income	1,583,508	1,782,519	20,869	21,573	23,695	24,418	12.4	13.5	12.4	
Wage and salary disbursements	1,613,216	1,146,696	12,693	13,071	14,371	15,024	12.3	13.2	12.6	
Other labor income	96,015	131,719	1,522	1,594	1,801	1,485	17.6	18.3	16.4	
Proprietors' income	105,953	125,695	1,677	1,809	2,038	1,923	21.5	21.5	18.9	
Farm	23,636	31,044	356	462	496	318	66.6	38.5	31.3	
Nonfarm	82,317	94,551	1,322	1,347	1,542	1,606	12.8	16.7	15.3	
Dividends, interest, and rent	214,992	242,442	2,517	2,579	2,828	2,913	12.3	12.4	12.8	
Transfer payments	215,944	233,750	3,118	3,232	3,469	3,566	8.8	16.3	6.2	
State unemployment insurance benefits	11,128	7,753	181	149	191	88	-24.0	3	-30.3	
Less personal contributions	62,212	71,610	817	810	942	975	14.8	15.2	15.1	
Plus: residence adjustment	-401	-473	129	128	138	132				
Wage and salary disbursements	1,613,216	1,146,696	12,693	13,071	14,371	15,024	12.1	13.2	12.6	
Farm	7,176	7,539	105	167	111	116	8.5	5.5	10.6	
Nonfarm	1,606,040	1,139,157	12,588	12,904	14,260	14,908	12.1	13.3	12.6	
Manufacturing	14,044	18,813	919	923	1,134	1,211	26.5	23.4	33.9	
Construction	55,644	65,858	725	768	968	970	19.1	33.5	20.1	
Manufacturing	276,812	312,370	3,614	3,726	3,908	4,205	12.1	9.8	13.3	
Durable goods	176,216	203,253	2,177	2,289	2,456	2,645	13.7	12.8	15.2	
Nondurable goods	99,896	109,317	1,437	1,438	1,512	1,560	9.4	5.3	10.6	
Private service-type	455,764	515,348	4,828	4,950	5,471	5,790	12.8	13.3	13.1	
Transportation, communication, and public utilities	74,584	85,264	575	1,007	1,061	1,123	16.4	8.4	11.3	
Wholesale and retail trade	178,856	195,035	1,347	1,579	2,283	2,372	33.6	17.2	14.1	
Finance, insurance, and real estate	54,452	61,653	469	485	518	533	14.1	19.5	13.2	
Services	145,588	173,296	1,433	1,482	1,609	1,673	12.6	12.3	12.7	
Government	201,252	215,883	2,477	2,567	2,689	2,750	7.4	8.6	6.9	
Federal	68,174	73,093	1,642	1,688	1,689	1,133	7.3	4.5	7.1	
State and local	133,078	142,890	1,435	1,475	1,630	1,617	7.3	11.5	6.4	
Other	3,216	3,685	25	26	30	30	16.7	14.4	14.6	

1. Detail may not add to totals because of rounding.
2. Based on seasonally adjusted data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Analysis Division.

TABLE 3.—Consumer Price Index, United States and Kentucky Through Fourth Quarter, 1978¹

	United States			Kentucky			U.S.	State	U.S.
	1977:IV 1978:IV 1977:III			1977:IV 1978:III 1978:IV			1977:III—1978:III		
	Index, 1967=100, not seasonally adjusted						Percent change		
U.S. city average ¹	185.3	201.4	---	---	---	---	7.9	---	8.9
Cincinnati	---	---	185.2	186.7	202.3	207.5	---	9.2	---

1. Consumer Price Indexes are shown for the most latest SMIA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Seasonal data are used for the quarters prior to January 1978, and revised data are subsequent quarters. Users are advised to exercise caution when making comparisons over the

STATE QUARTERLY ECONOMIC DEVELOPMENTS

Labor Force

1977:IV to 1978:IV, Kentucky's civilian labor force increased 1.2 million, or 3.1 percent nationally (table 4). Kentucky's increase was the smallest in the Nation. Total employment increased only 0.8 million, or 3.9 percent nationally, to 1.5 million; the State's increase was 0.4 million, or 4.7 percent.

The labor force increasing by about 19,000 and employment increasing considerably less, the number of unemployed increased about 77,000. Kentucky's unemployment rate increased 0.4

percentage point, to 4.9 percent of the labor force. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Preliminary data for December 1978, when the State's unemployment rate was 5.2 percent, show unemployment rates of 4.8 percent in Louisville and 3.3 percent in Lexington-Fayette, both down only fractionally from December 1977 levels.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV, Kentucky

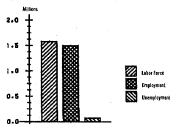


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

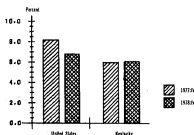


TABLE 4.—Labor Force, United States and Kentucky Through Fourth Quarter, 1978

	United States			Kentucky			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III–1978:III		1977:IV–1978:IV	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
nonagricultural persons	84,250	87,708	1,166	1,180	1,207	1,262	4.3	8.1	4.2	5.7
agriculture, forestry, and fishing	787	889	47	47	59	60	6.2	24.5	14.2	26.6
mining	4,832	4,488	49	67	83	74	10.4	16.4	13.3	9.8
manufacturing	13,986	20,722	284	288	294	308	3.1	3.3	3.7	3.8
transportation, communication, and public utilities	4,781	4,971	65	66	89	88	3.8	5.2	4.4	5.8
retail trade	15,352	16,015	251	262	289	275	5.3	7.2	4.5	4.8
services, and real estate	4,852	4,756	47	48	51	52	4.8	7.8	-2.0	7.3
unemployed	15,539	16,715	146	188	190	192	4.8	7.6	4.4	2.5
total	15,434	16,656	207	227	225	240	2.1	4.1	3.4	6.0
civilian labor force ³	86,591	101,618	1,508	1,560	1,595	1,519	3.2	3.7	3.3	1.2
employed	92,442	96,012	1,475	1,496	1,615	1,503	4.1	2.7	3.5	.8
unemployed	6,149	5,605	63	64	81	77	-9.8	29.1	-8.8	10.6
unemployment rate	6.2	5.5	4.1	4.5	5.1	4.9				

1. Not seasonally adjusted.

2. Not seasonally adjusted.

3. Preliminary data for December 1978, these data are being estimated by new methods, using more current data. This revision in the series, and users are advised to exercise caution when making comparisons over time.

4. U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

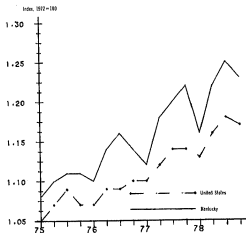


Chart 8.—Civilian Employment

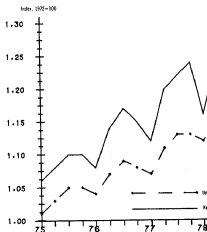


Chart 9.—Unemployment Rate

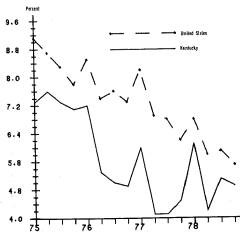
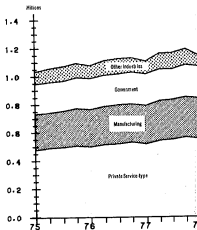


Chart 10.—Industrial Composition of Nonagricultural Employment Kentucky



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Kentucky Through Fourth Quarter, 1978

	United States			Kentucky			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:IV	
	All items of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	616,932	n.a.	7,521	7,493	9,067	n.a.	16.3	19.6	—	—
Commercial and industrial	196,317	n.a.	1,596	1,768	2,090	n.a.	14.2	26.6	—	—
Loans to individuals	140,509	n.a.	2,453	2,531	2,579	n.a.	28.2	19.4	—	—
Real estate	177,935	n.a.	2,690	2,799	3,211	n.a.	19.9	13.4	—	—
Residential	164,236	n.a.	1,853	1,428	1,675	n.a.	21.3	23.9	—	—
Farms	7,731	n.a.	368	486	445	n.a.	10.7	11.7	—	—
Other	68,969	n.a.	939	965	1,090	n.a.	19.0	16.2	—	—
Other, excluding real estate	25,784	n.a.	407	397	453	n.a.	6.8	11.1	—	—
Other	99,947	n.a.	374	415	394	n.a.	8.0	5.2	—	—
Total deposits	929,511	n.a.	11,396	12,182	12,612	n.a.	11.6	12.6	—	—
Money	377,663	n.a.	4,427	5,235	4,958	n.a.	10.2	10.6	—	—
Time and savings	547,828	n.a.	6,778	6,947	7,725	n.a.	12.3	14.0	—	—

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 31.1 percent (\$237.5 million), to \$1.0 billion (table 6). Kentucky's percent increase, one of the largest in the Nation, was almost twice the national increase. In 1978:IV, a \$250 million contract for the construction of an electric generating plant in Boone County and a \$41 million contract for the construction of a manufacturing plant in Muhlenberg County raised the State's total valuation of contracts to an unusually high level, thereby distorting the year-to-year change. It should be noted, however, that a \$75 million contract in 1977:IV for the construction of an electric generating plant in Webster County offset the distorting effect of the two large 1978:IV contracts. If all three contracts are excluded, the total valuation of contracts in Kentucky would have increased only 3.1 percent.

National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the real increase in the total valuation of contracts in Kentucky was about 18 percent (including the three contracts noted above) versus about 4 percent nationally.

Primarily reflecting the electric generating plant contracts, nonbuilding contracts increased 45.3 percent in valuation, compared with a 22 percent national increase. The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 53 percent in the State and 16.3 percent nationally. Kentucky's decline was one of the largest in the Nation.

Reflecting the manufacturing plant contract, the valuation of nonresidential contracts increased 33.1 percent, more than twice as much as nationally.

Contracts for residential housekeeping additions and alteration increased 31.2 percent in valuation, one of the largest increases in the Nation. Nationally, addition and alteration contracts increased 14 percent in valuation. The valuation of residential housekeeping contracts increased 17.8 percent, compared with a 15.6-percent national increase. In contrast, the number of dwelling units started in Kentucky was virtually unchanged, at 8,308 units. Nationally, the number of dwelling units started was virtually unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

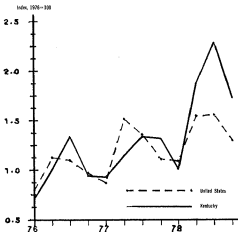


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Kentucky

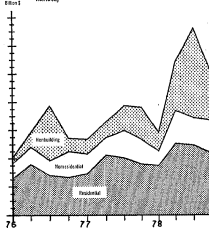


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

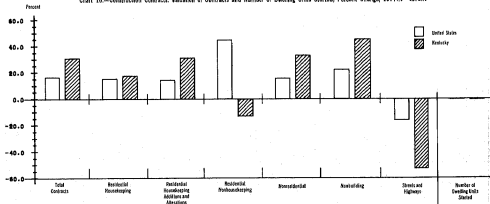


TABLE 6.—Construction Contracts, United States and Kentucky Through Fourth Quarter, 1978¹

	United States			Kentucky			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Not seasonally adjusted						Percent change ²			
Total value of contracts	38,913,121	45,459,773	776,747	792,633	1,226,243	1,998,135	14.5	70.7	16.8	31.1
Residential housekeeping, additions and alterations Valuation (thousands of dollars)	7,767,887	8,832,353	128,336	106,562	159,600	139,944	16.8	16.4	14.6	39.2
All other contracts	31,145,234	36,627,420	648,411	686,071	1,066,643	1,858,191	14.6	81.6	17.4	31.1
Number of contracts	82,768	56,909	1,650	1,258	1,761	1,186	4.4	6.7	-9.3	-7.3
Value per contract (thousands of dollars)	381,453	800,956	393,000	542,600	582,400	623,400	14.6	81.6	17.4	31.1
Residential housekeeping	14,835	14,382	430	445	445	443	-5.1	1.4	-4.3	-4.4
Value per contract (thousands of dollars)	534,772	608,075	320	320	320	320	1.0	5.7	-6.7	-7.2
Floor area (thousands of square feet)	14,879,596	17,358,518	271,240	246,332	249,585	250,267	15.3	25.6	15.6	17.8
Residential housekeeping	597,733	641,796	16,824	16,824	16,751	16,751	16.3	17.7	10.7	10.9
Number of contracts	567	565	7	11	10	10	-18.0	42.5	-4.4	0
Value per contract (thousands of dollars)	338,637	488,275	3,043	6,270	3,601	5,441	8.4	-6.3	44.8	-13.2
Floor area (thousands of square feet)	5,487	12,660	27	76	79	126	-7.7	188.3	24.7	89.4
Nonresidential	38,256	27,055	440	437	489	439	-2.5	9.3	-82.0	5
Value per contract (thousands of dollars)	9,334,415	10,810,768	185,146	176,532	194,853	234,203	27.6	-2	15.6	69.4
Floor area (thousands of square feet)	281,253	319,240	5,452	5,689	6,143	5,828	12.2	17.7	1.3	69.4
Number of contracts	16,791	15,176	754	395	819	233	32.4	8.8	-9.1	-25.2
Value per contract (thousands of dollars)	6,852,479	8,127,854	177,173	226,777	238,604	329,580	-1.1	256.3	32.2	45.3
Streets and highways	4,886	4,996	442	159	462	82	9.3	4.3	-17.8	-36.7
Value per contract (thousands of dollars)	2,304,581	1,331,341	117,364	58,147	138,055	46,817	3.6	17.8	-16.3	-93.1

1. Contracts started or expected to start within 90 days.
2. Percent change for floor area based on unrounded data.

Source: F. H. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Data for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Kentucky are not available.

TABLE 7.—Retail Sales, United States and Kentucky Through Fourth Quarter, 1978

	United States			Kentucky			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted						Percent change			
Total sales	177,030	218,620	n.a.	n.a.	n.a.	n.a.	33.3	—	17.2	—
Trade goods	67,065	71,573	n.a.	n.a.	n.a.	n.a.	11.8	—	15.3	—
Wholesale goods	131,965	147,047	n.a.	n.a.	n.a.	n.a.	9.6	—	9.2	—

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

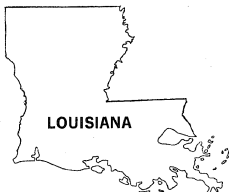
TABLE 8.—Business Incorporations and Failures, United States and Kentucky Through Fourth Quarter, 1978

	United States			Kentucky			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Not seasonally adjusted						Percent change			
New business incorporations	195,411	n.a.	1,357	1,278	1,280	n.a.	8.2	-5.8	—	—
Total number of business failures	1,684	n.a.	32	38	26	n.a.	-9.5	18.2	—	—
Value of business failures (thousands of dollars)	484,296	n.a.	3,596	4,782	3,550	n.a.	-44.2	-2.1	—	—
Value of business failures per failure (thousands of dollars)	288	n.a.	163	286	136	n.a.	-38.4	-17.2	—	—
Business failures by industry										
Food and kindred establishments	246	n.a.	4	3	1	n.a.	-38.1	-75.0	—	—
Retail trade	315	n.a.	7	4	7	n.a.	1.0	0	—	—
Wholesale trade	131	n.a.	2	3	1	n.a.	-27.1	-90.0	—	—
Transportation and communications	688	n.a.	6	8	14	n.a.	-4.2	133.3	—	—
Other services	238	n.a.	3	0	3	n.a.	-24.0	0	—	—

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

- Personal income** —Up 14.1% vs. 12.6% in U.S., to \$27.6 billion
 —Payrolls up 11.7% in nondurables manufacturing vs. 10.0% in U.S.
 —Payrolls up 16.1% in services vs. 12.7% in U.S.
- Consumer prices** —Up 9.2% in Dallas and 12.1% in Houston vs. 8.9% in U.S.
- Employment** —Up 3.7% vs. 3.9% in U.S., to 1.5 million
- Unemployment** —Down 4,000, to 95,000
 —Rate down to 5.9% of labor force vs. 5.5% U.S. rate
- Construction** —Total valuation of contracts up 51.2% vs. 16.8% in U.S., to \$1.1 billion
 —Valuation of nonresidential contracts up 154.6% vs. 15.8% in U.S.
 —Number of dwelling-unit starts down 14.5% vs. near stability in U.S., to 8,374
- Retail sales** —Up 5.9% vs. 11.2% in U.S., to \$3.4 billion

TABLE 1.—Summary of Economic Indicators, United States and Louisiana Through Fourth Quarter, 1978

	United States			Louisiana			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1978:IV	1978:III	1978:IV	1977:III— 1978:III	1977:III— 1978:III	1977:III— 1978:III
	All indicators, except income, not seasonally adjusted						Percent change		
Total personal income (millions of dollars).....	1,583,568	1,782,519	23,718	24,168	26,601	27,574	12.4	14.1	12.6
Total wages and salaries (millions of dollars).....	1,013,216	1,146,994	15,216	15,743	17,458	17,976	12.1	14.7	12.6
Civilian employment (thousands).....	82,442	86,018	1,467	1,460	1,511	1,514	4.1	3.0	3.9
Unemployment (thousands).....	6,149	5,895	112	99	120	95	-8.8	-1.1	-8.8
Percent unemployed (unemployment/labor force).....	6.2	5.5	7.1	6.3	6.8	5.9	---	---	---
Total loans (millions of dollars).....	610,502	n.a.	8,594	8,901	10,251	n.a.	16.3	18.3	---
Total deposits (millions of dollars).....	825,511	n.a.	13,536	14,725	15,384	n.a.	11.5	12.8	---
Total valuation of construction contracts (thousands of dollars).....	38,912,111	45,489,773	808,136	744,979	2,111,094	3,126,127	14.5	161.2	164.4
Dwelling units started (number).....	445,772	443,675	9,829	9,794	9,947	8,374	1.0	.3	-4.4
Total retail sales (millions of dollars).....	197,430	218,626	n.a.	3,297	3,247	3,296	20.3	---	11.1
New business incorporations (number).....	109,411	n.a.	2,176	1,912	3,013	n.a.	8.2	38.3	---
Business failures (number).....	1,884	n.a.	13	9	20	n.a.	-8.5	53.8	---
Consumer Price Index (1967=100):									
U.S. city average.....	185.3	201.8	---	---	---	---	7.8	---	8.1
Dallas.....	---	---	182.4	183.8	197.3	206.7	---	8.2	---
Houston.....	---	---	181.6	182.7	211.8	218.0	---	10.1	---

n.a.: Data not available.

Source: See tables 2 through 8.

Chart 3.—Total Personal Income
(Seasonally adjusted)

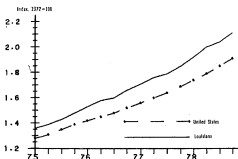


Chart 4.—Industrial Composition of Wages and Salaries: Louisiana
(Seasonally adjusted)

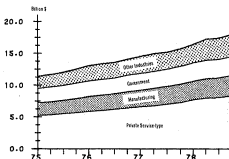


TABLE 2.—Personal Income, United States and Louisiana Through Fourth Quarter, 1978

	United States						Louisiana		U.S. State		U.S. %	%
	1977:IV						1978:III		1977:III—1978:IV			
	1977:IV						1978:III		1977:III—1978:IV			
	Billions of dollars, seasonally adjusted at annual rates ¹								Percent change ²			
Total personal income	1,583,508	1,782,519	23,319	24,168	25,801	27,574	12.4	14.1	12.6	1		
Farm personal income	30,224	39,481	296	487	602	657	47.9	56.1	26.3	1		
Nonfarm personal income	1,553,284	1,743,038	23,022	23,761	25,199	26,917	11.9	13.8	12.3	1		
Total personal income	1,583,508	1,782,519	23,319	24,168	25,801	27,574	12.4	14.1	12.6	1		
Wage and salary disbursements	1,013,216	1,140,696	15,216	15,743	17,458	17,916	12.1	14.7	12.4	1		
Other labor income	56,016	111,719	1,525	1,594	1,825	1,982	17.0	19.7	16.4	1		
Proprietors' income	165,953	125,995	1,611	1,747	1,915	2,218	21.5	22.6	18.9	1		
Farm	23,636	31,044	229	340	395	618	66.6	72.3	31.3	1		
Nonfarm	82,317	94,951	1,382	1,408	1,580	1,650	12.8	14.4	15.3	1		
Dividends, interest, and rent	214,992	242,442	2,654	2,761	2,968	3,039	12.3	10.2	12.8	1		
Transfer payments	215,944	233,750	3,183	3,258	3,450	3,499	8.8	8.4	8.2	1		
State unemployment insurance benefits	11,128	7,753	186	206	142	136	-24.0	-23.6	-30.3	-1		
Less: personal contributions	82,212	71,613	903	945	1,085	1,107	14.8	17.8	15.1	1		
Plus: insurance adjustment	-401	-473	10	9	9	0	---	---	---	---		
Wage and salary disbursements	1,013,216	1,140,696	15,216	15,743	17,458	17,916	12.1	14.7	12.4	1		
Farm	2,176	7,929	60	66	66	67	8.5	5	18.4	1		
Nonfarm	1,006,040	1,132,767	15,156	15,678	17,392	17,908	12.1	14.6	12.4	1		
Mining	14,048	18,813	1,127	1,145	1,425	1,486	25.5	26.4	33.9	1		
Construction	55,645	66,858	1,430	1,563	1,890	1,822	19.1	25.9	20.1	1		
Manufacturing	276,112	312,571	2,767	2,897	3,145	3,276	12.1	13.7	13.3	1		
Durable goods	176,216	203,053	1,196	1,295	1,390	1,475	13.7	16.3	15.2	1		
Non-durable goods	99,896	109,517	1,572	---	---	---	---	---	---	---		
Private service-type	455,754	515,544	7,955	---	---	---	---	---	---	---		
Transportation, communication, and public utilities	75,584	85,264	1,305	---	---	---	---	---	---	---		
Wholesale and retail trade	170,888	195,035	2,746	---	---	---	---	---	---	---		
Finance, insurance, and real estate	54,452	61,653	673	---	---	---	---	---	---	---		
Services	153,840	170,396	2,690	---	---	---	---	---	---	---		
Government	200,252	215,083	2,716	---	---	---	---	---	---	---		
Federal	68,176	73,093	805	---	---	---	---	---	---	---		
State and local	133,076	142,089	1,914	1,959	2,053	2,022	7.5	4.6	6.8	1		
Other	3,216	3,665	45	45	52	52	18.7	15.8	14.6	1		

1. Detail may not add to totals because of rounding.

2. Based on assumed data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measures Division.

TABLE 3.—Consumer Price Index, United States and Louisiana Through Fourth Quarter, 1978¹

	United States						Louisiana		U.S. State	U.S.												
									1977:III—	1977:IV—												
									1978:IV	1978:IV												
Index, 1967 = 100, not seasonally adjusted												Percent change										
U.S. city average ²												185.3	200.8	182.4	183.8	197.3	206.7	7.9	---	8.8	---	
Dallas												---	---	---	---	---	---	---	4.2	---	---	
Houston ³												---	---	---	---	---	---	---	---	30.1	---	---

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unreleased data are used for the quarters prior to January 1978, and released data are used for subsequent quarters. Users are advised to exercise caution when making comparisons.

Labor Force

From 1977:IV to 1978:IV, Louisiana's civilian labor force increased 3.2 percent versus 3.1 percent nationally (table 4). Total employment increased 3.7 percent versus 3.9 percent nationally, to 1.5 million.

With employment increasing by 54,000 and the labor force increasing by 50,000, the number of unemployed declined by 4,000, to 95,000. Louisiana's unemployment rate declined 0.4 percentage point, to 5.9 percent of the labor force. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Among Louisiana's major metropolitan areas, preliminary unemployment rates for December 1978, when the State's rate was 5.9 percent, ranged from 5.8 percent in both Lake Charles and Monroe to 5.1 percent in Shreveport. In New Orleans and Baton Rouge, the State's largest metropolitan areas, the unemployment rates were 5.2 and 5.0 percent, respectively. From December 1977 to December 1978, the unemployment rate declined 1.4 percentage points in Lake Charles compared with a decline of 0.5 percentage point statewide. Lake Charles' decline was the largest among the State's major metropolitan areas.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV—Louisiana

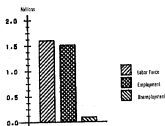


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

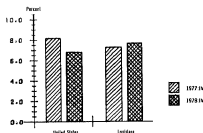


TABLE 4.—Labor Force, United States and Louisiana Through Fourth Quarter, 1978

	United States						Louisiana		U.S.		State		U.S.		State	
									1977:III—		1977:IV—		1977:III—		1977:IV—	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV										
	Thousands of persons, not seasonally adjusted ^a						Percent change ^b									
nonagricultural popl...	84,210	87,398	1,332	1,382	1,389	1,374	4.3	2.0	4.2	1.6						
...	787	899	66	66	69	68	8.2	3.8	14.2	3.2						
...	4,632	4,488	185	104	107	190	10.4	1.8	11.3	1.3						
...	13,986	20,722	264	265	265	268	3.1	3	3.7	1.3						
...	4,761	4,971	103	106	106	186	3.8	3.4	4.4	5.3						
...	13,132	20,015	322	328	320	331	5.3	1.3	4.5	1.0						
...	4,852	4,156	68	66	68	68	4.8	4.5	-2.0	4.3						
...	15,539	16,215	220	225	230	232	4.5	4.6	4.4	2.9						
...	15,434	15,656	248	250	249	255	2.1	.5	1.4	-1.1						
...	98,594	101,615	1,578	1,569	1,620	1,608	3.2	2.7	3.1	3.2						
...	82,442	95,016	1,467	1,460	1,511	1,514	4.1	3.8	3.9	3.7						
...	6,141	5,605	112	89	110	95	-9.8	-1.1	-8.6	-4.2						
...	6.2	5.5	7.1	6.3	6.8	5.9	...	...	...	...		

not add to totals because of rounding.
seasonal data.

January 1979, these data are being calculated by new methods, using more current data. This
the series, and users are advised to exercise caution when making comparisons over time.
Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

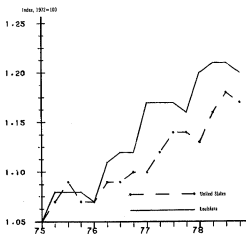


Chart 8.—Civilian Employment

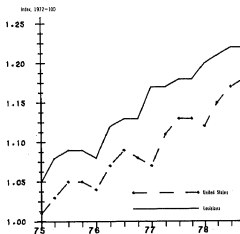


Chart 9.—Unemployment Rate

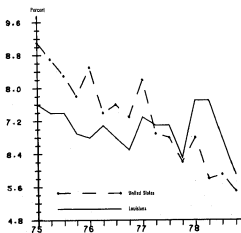
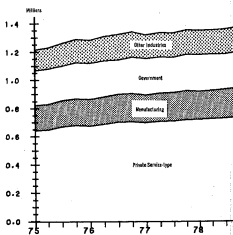


Chart 10.—Industrial Composition of Nonagricultural Employment: Louisiana



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Louisiana Through Fourth Quarter, 1978

	United States				Louisiana		U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:III	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	406,582	n.a.	4,534	5,980	10,251	n.a.	16.3	19.3	...	...
Commercial and industrial	195,317	n.a.	2,776	2,919	3,126	n.a.	14.2	13.0	...	...
Government securities	140,559	n.a.	2,342	2,462	2,863	n.a.	20.7	22.1	...	...
Residential	171,335	n.a.	2,854	2,789	3,262	n.a.	19.9	26.3	...	...
Other	100,126	n.a.	1,025	1,068	1,244	n.a.	21.3	31.1	...	...
Loans	7,731	n.a.	151	186	192	n.a.	10.7	27.4	...	...
Real estate	48,968	n.a.	1,478	1,545	1,815	n.a.	19.0	22.8	...	...
Other	23,794	n.a.	282	233	389	n.a.	8.8	9.9	...	...
Total deposits	48,547	n.a.	340	579	992	n.a.	8.0	9.7	...	...
Checking	825,511	n.a.	13,636	14,725	15,384	n.a.	11.5	12.8	...	...
Time and savings	377,883	n.a.	5,144	6,924	5,794	n.a.	16.2	12.6	...	...
Other	547,828	n.a.	5,492	6,700	9,580	n.a.	12.3	12.9	...	...

1. Data may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

TABLE 6.—Construction Contracts, United States and Louisiana Through Fourth Quarter, 1978¹

	United States			Louisiana			U.S. State		U.S. State		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:III		1977:IV— 1978:IV
	Not seasonally adjusted						Percent change ²				
Total value of contracts.....	26,912,131	45,459,772	288,136	744,478	2,311,694	1,126,127	14.8	161.2	16.8	51.2	
Residential housing, additions and alterations:											
Value (thousands of dollars).....	2,707,887	8,832,353	133,073	816,432	160,018	168,781	16.8	20.2	14.6	27.8	
Other contracts:											
Number of contracts.....	52,789	56,928	1,346	1,257	1,304	1,569	4.4	-3.1	-8.3	.9	
Value (thousands of dollars).....	31,205,124	36,627,420	615,063	628,557	1,551,676	977,346	14.0	188.0	37.4	55.5	
Floor area (thousands of square feet).....	881,453	871,396	10,461	17,742	20,684	18,876	16.8	12.0	10.2	6.4	
Residential homekeeping:											
Number of contracts.....	14,825	14,192	297	275	243	242	-5.1	-16.8	-4.3	-13.3	
Value (thousands of dollars).....	445,772	443,025	8,979	9,794	9,567	8,274	1.0	3	-6	-14.5	
Floor area (thousands of square feet).....	14,279,596	17,159,318	316,811	315,481	368,363	317,223	15.3	15.6	15.6	5	
Residential workoverkeeping:											
Number of contracts.....	937	505	18	17	12	11	-16.0	-25.0	-4	-35.4	
Value (thousands of dollars).....	338,637	490,273	10,134	3,798	5,712	10,861	9.4	-43.7	44.8	184.4	
Floor area (thousands of square feet).....	8,457	10,560	231	84	149	266	-7	-35.6	24.7	217.4	
Nonresidential:											
Number of contracts.....	36,796	27,695	597	548	576	567	-2.5	-4.5	-12.0	3.5	
Value (thousands of dollars).....	5,334,415	10,818,769	165,816	148,447	601,565	377,543	27.8	386.6	15.8	154.6	
Floor area (thousands of square feet).....	283,751	319,240	4,888	4,228	5,892	5,978	12.2	19.3	8.9	41.4	
Nonbuilding:											
Number of contracts.....	16,701	18,176	438	417	475	448	22.4	8.9	-9.1	7.4	
Value (thousands of dollars).....	6,692,470	8,127,894	151,266	199,831	597,436	271,329	-3	295.0	22.2	58.7	
Roads and highways:											
Number of contracts.....	4,986	4,090	148	179	120	129	8.3	-18.9	-17.8	-27.9	
Value (thousands of dollars).....	2,318,681	1,801,341	81,109	102,025	48,767	62,352	3.0	-39.5	-16.3	-33.0	

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

all sales in Louisiana totaled \$3.4 billion in 1978:IV, up only 5.9 percent (\$189 million) since 1977:IV, compared with an 11.2-percent national increase (table 7). In 1978:IV, nondurable goods accounted for \$2.2 billion, and durable goods accounted for \$1.2 billion.

TABLE 7.—Retail Sales, United States and Louisiana Through Fourth Quarter, 1978

	United States			Louisiana			U.S. State		U.S. State		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:III		1977:IV— 1978:IV
	Millions of dollars, not seasonally adjusted						Percent change				
Retail sales.....	157,530	218,679	n.a.	2,207	3,247	3,396	38.3	---	11.2	5.9	
Non-durable goods.....	82,805	71,573	n.a.	n.a.	1,240	1,216	11.8	---	15.3	---	
Durable goods.....	134,905	147,447	n.a.	n.a.	2,001	2,180	9.0	---	9.2	---	

: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Louisiana Through Fourth Quarter, 1978

	United States			Louisiana			U.S. State		U.S. State		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:III		1977:IV— 1978:IV
	Not seasonally adjusted						Percent change				
New business incorporations.....	109,411	n.a.	2,175	1,822	3,653	n.a.	8.3	36.8	---	---	
Total number of business failures.....	1,684	n.a.	33	9	20	n.a.	-8.5	58.8	---	---	
Liabilities (thousands of dollars).....	484,296	n.a.	2,104	1,474	4,387	n.a.	-64.2	137.0	---	---	
Liability per failure (thousands of dollars).....	288	n.a.	162	164	219	n.a.	-38.4	53.7	---	---	
Business failures by industry:											
and manufacturing:											
Food.....	245	n.a.	1	0	2	n.a.	-10.1	100.0	---	---	
Textile.....	399	n.a.	3	3	0	n.a.	1.6	300.0	---	---	
Apparel.....	191	n.a.	1	3	0	n.a.	-22.1	---	---	---	
Other.....	656	n.a.	7	3	11	n.a.	-4.2	57.1	---	---	
Total.....	238	n.a.	1	0	1	n.a.	-34.0	0	---	---	

: Data not available.

Note: Data and Statistics, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income

- Up 11.9%, 0.7 percentage point less than in U.S.
- Farm income down
- Nonfarm income up 12.2%, about the same as in U.S.

Consumer prices

- Up 7.5% in Boston vs. 8.9% in U.S.

Employment

- Up 3.1% vs. 3.9% in U.S., to 447,000

Unemployment

- Down 9,000, to 26,000
- Rate down to 5.4% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts up 5.3% vs. 16.8% in U.S., to \$182 million
- Nearly all major construction categories in State weak
- Number of dwelling-unit starts down 7.7% vs. little change in U.S., to 1,713

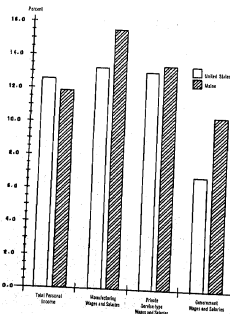
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 11.9 percent from 1977:IV to 1978:IV, 0.7 percentage point less than nationally (table 2). In 1978:IV, Maine's total personal income was \$7.2 billion, for an increase of \$0.8 billion since 1977:IV. Nonfarm income increased 12.2 percent, about the same as nationally. Farm income declined 10.3 percent in the State, in sharp contrast with an increase of 26.3 percent in the Nation. As in most other New England States, Maine's increases in both total and nonfarm income were fairly close to the national average.

Since the last national business cycle peak (1973:IV), Maine's economic growth has been close to the national average; the increase in nonfarm income was 1 percent more than nationally, ranking Maine 31st among all States.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)



Consumer prices in Boston, the metropolitan area closest to Maine for which price data are available, increased 7.5 percent from 1977:IV to 1978:IV versus a national increase of 8.9 percent (table 3). If Boston index is used as an indicator for price movements in the State, real total personal income in Maine increased 4.4 percent from year to year versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 13.3 percent in Maine versus 12.6 percent in the Nation. In 1978:IV, payrolls totaled \$4.4 billion, up \$0.5 billion since 1977:IV. Manufacturing payroll increased 15.6 percent in Maine versus 13.3 percent in the Nation. Strength was concentrated in nondurable goods manufacturing, up 16. percent versus 10.0 percent nationally. Maine's increase ranked 6th among all States. This increase was particularly important, because nondurable goods payrolls accounted for 11.6 percent of Maine's total income in 1978:IV versus only 6.2 percent nationally. Durable goods payrolls increased somewhat more slowly in Maine than in the Nation. Maine's increase in trade was 18.8 percent versus 14.1 percent nationally. Federal payrolls increased 15.2 percent, more than twice the increase registered in the Nation. In contrast, the increase in transportation-communication-public utilities was 5.1 percent versus 11.3 percent nationally. Similarly, payrolls in construction were up 12.2 percent in Maine and 20.1 percent in the Nation.

State unemployment insurance benefits in Maine declined 39.9 percent versus a decline of 30.3 percent in the Nation; only nine States had larger declines.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

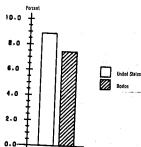


Chart 3.—Total Personal Income
[Seasonally adjusted]

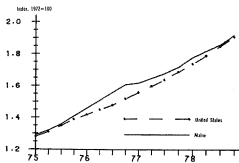


Chart 4.—Industrial Composition of Wages and Salaries: Maine
[Seasonally adjusted]

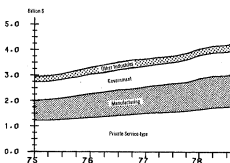


TABLE 2.—Personal income, United States and Maine Through Fourth Quarter, 1978

	United States			Maine			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1978:III	1977:III— 1978:III
	Millions of dollars, seasonally adjusted at annual rates ^a						Percent change ^b		
Total personal income	1,583,508	1,782,519	6,289	6,433	6,963	7,198	12.4	13.0	12.6
Farm personal income	31,274	31,451	96	84	89	75	47.3	3.6	26.3
Nonfarm personal income	1,552,234	1,743,068	6,193	6,349	6,883	7,123	11.9	13.2	12.3
Total personal income	1,583,508	1,782,519	6,289	6,433	6,963	7,198	12.4	13.0	12.6
Wage and salary disbursements	1,013,216	1,148,696	3,761	3,870	4,201	4,383	12.1	13.7	12.6
Other labor income	96,016	111,718	362	277	419	436	17.0	15.7	16.4
Proprietors' income	105,353	125,985	458	454	587	495	21.5	19.6	18.9
Farm	23,636	31,644	59	45	59	33	66.6	-2	30.2
Nonfarm	82,317	94,351	399	409	448	462	12.3	12.1	15.3
Dividends, interest, and ret.	234,382	242,442	835	854	933	965	12.3	13.7	12.8
Transfer payments	235,944	233,750	1,138	1,145	1,217	1,228	8.8	7.1	8.2
State unemployment insurance benefits	11,128	7,753	82	71	51	43	-24.0	-38.2	-20.2
Less: personal contributions	62,212	71,610	239	241	269	277	14.8	12.9	15.1
Plus: residence adjustment	-401	-473	-25	-26	-25	-27	-	-	-
Wage and salary disbursements	1,013,216	1,148,696	3,761	3,870	4,201	4,383	12.1	13.7	12.6
Farm	7,176	7,539	33	35	36	38	9.5	9.4	10.6
Nonfarm	1,006,040	1,132,757	3,727	3,835	4,165	4,345	12.1	13.7	12.6
Mining	14,948	18,813	3	2	2	2	26.5	-35.5	32.9
Construction	55,048	66,858	197	199	226	223	19.1	14.7	28.1
Manufacturing	226,112	312,970	1,114	1,132	1,227	1,298	13.1	16.2	13.3
Durable goods	176,216	203,053	384	402	445	460	12.7	15.8	15.2
Non-durable goods	59,896	109,917	730	732	783	838	9.4	7.3	10.0
Private service-type	455,764	515,348	1,576	1,617	1,773	1,826	12.8	12.5	13.1
Transportation, communications, and public utilities	36,584	85,564	545	563	927	922	10.4	6.8	11.1

Labor Force

From 1977:IV to 1978:IV, the civilian labor force increased 1.0 percent in Maine, 2.1 percentage points less than in the Nation (table 4). The increase in Maine ranked 45th among the States. Total employment increased 3.1 percent, lagging the national average increase by 0.8 percentage point, to 447,000.

With the labor force increasing 4,000 and employment increasing 3,000, unemployment declined 9,000, to 26,000. In 1978:IV, the unemployment rate in Maine was 5.4 percent, about the same as nationally. In 1977:IV, it had been well above the national rate. From year to year, the unemployment rate declined 2.0 percentage points in

the State versus a decline in the Nation of only 0.7 percentage point. Only two other States had declines that were as sharp or sharper: Rhode Island, off 2.0 percentage points, and Nevada, off 2.3 percentage points. All New England States except Connecticut had sharp declines in unemployment rates.

In December 1978, the preliminary unemployment rate in the State was 6.0 percent, down 1.8 percentage points from the December 1977 rate. The December 1978 unemployment rate in Lewiston-Auburn was 4.5 percent, down 2.4 percentage points, and the rate in Portland was 4.7 percent, down 1.8 percentage points.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Maine

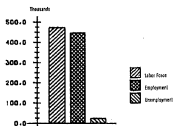


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

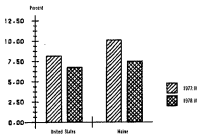


TABLE 4.—Labor Force, United States and Maine Through Fourth Quarter, 1978

	United States						Maine		U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:IV—1978:III		1977:IV—1978:IV			
	Thousands of persons, not seasonally adjusted ¹						Percent change ²					
Employees on nonagricultural payrolls.....	84,210	87,708	401	315	413	400	4.3	2.9	4.2	3.2		
Mining and services.....	16,205	17,314	74	86	75	69	—	1.5	—	4.1		
Manufacturing.....	4,803	4,408	24	21	23	21	-38.4	-4.2	11.3	-3.3		
Transportation, communication, and public utilities.....	18,986	19,722	107	109	110	115	3.3	2.9	3.7	3.8		
Wholesale and retail trade.....	4,761	4,971	16	18	18	18	3.8	-1.1	4.4	0		
Finance, insurance, and real estate.....	13,352	13,015	89	85	94	90	5.3	5.4	4.5	5.2		
Government.....	4,852	4,756	15	15	16	16	4.8	1.9	-2.0	3.3		
Unemployed.....	15,434	13,656	73	81	77	82	2.3	4.8	1.4	2.0		
Civilian labor force ³	99,591	100,815	498	499	499	473	3.2	.4	3.1	3.0		
Total employed.....	92,442	95,010	451	434	463	447	4.1	2.6	3.9	3.1		
Total unemployed.....	6,149	5,605	37	38	27	26	-9.8	-27.0	-8.8	-25.5		
Unemployment rate.....	6.2	5.5	7.6	7.4	5.5	5.4	—	—	—	—		

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

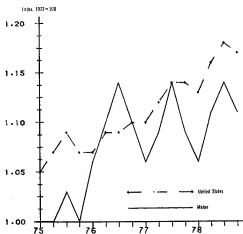


Chart 8.—Civilian Employment

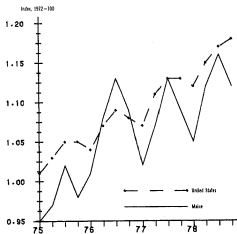


Chart 9.—Unemployment Rate

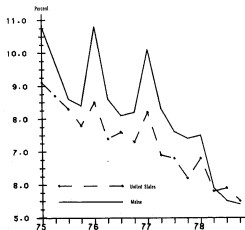


Chart 10.—Industrial Composition of Nonagricultural Employment: Maine

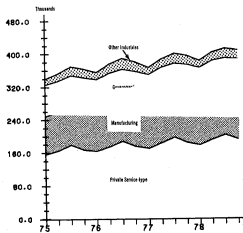


TABLE 6.—Construction Contracts, United States and Maine Through Fourth Quarter, 1978¹

	United States			Maine			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977: 1981
	Not seasonally adjusted						Percent change ²		
Total values of contracts	36,913,211	45,456,772	185,583	172,941	238,036	187,038	14.5	27.4	18.8
Residential housekeeping, additions and alterations:									
Value (thousands of dollars)	2,767,587	8,832,353	56,809	58,334	71,911	55,879	16.8	8.0	14.6
All other contracts									
Number of contracts	62,785	56,528	254	243	358	243	4.4	44.9	-9.3
Value (thousands of dollars)	31,205,124	38,627,420	113,963	117,607	158,119	126,961	14.0	38.8	37.4
Floor area (thousands of square feet)	861,453	911,596	3,719	3,359	4,678	3,572	10.8	24.1	10.2
Residential housekeeping:									
Number of contracts	14,825	14,382	66	65	71	64	-5.1	7.8	-4.3
Number of dwelling units	445,772	442,875	1,891	1,895	2,226	1,713	3.0	17.7	-6.6
Value (thousands of dollars)	14,874,585	17,018,518	58,654	67,887	92,574	74,423	15.3	35.4	15.6
Floor area (thousands of square feet)	579,733	641,796	2,792	2,682	3,651	2,802	10.3	35.7	10.7
Residential nonhousekeeping:									
Number of contracts	50	585	2	1	1	1	-10.0	-50.0	-4
Value (thousands of dollars)	336,437	460,279	55	924	1,630	28	9.4	***	44.8
Floor area (thousands of square feet)	6,467	10,650	1	29	42	3	-7	***	24.7
Nonresidential:									
Number of contracts	34,756	22,655	91	83	118	100	-2.8	29.7	-12.0
Value (thousands of dollars)	9,334,415	10,610,769	22,272	26,287	75,007	35,755	27.5	16.3	15.6
Floor area (thousands of square feet)	213,753	219,243	917	626	995	1,868	12.2	.8	8.9
Nonbuilding:									
Number of contracts	16,781	35,176	55	94	178	78	32.4	87.4	-9.1
Value (thousands of dollars)	6,602,476	8,127,854	22,902	22,588	38,238	15,754	-1	66.8	22.2
Streets and highways:									
Number of contracts	4,886	4,606	33	21	55	21	9.3	66.7	-17.8
Value (thousands of dollars)	2,368,581	1,831,383	12,146	6,435	11,268	5,685	3.6	-7.7	-16.3

***Percent change greater than 999.9.

1. Contracts started as expected to start within 60 days.

2. Percent changes for this area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Maine are not available.

TABLE 7.—Retail Sales, United States and Maine Through Fourth Quarter, 1978

	United States			Maine			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV 1978:IV
	Millions of dollars, not seasonally adjusted						Percent change		
Retail sales	147,630	214,620	n.a.	n.a.	n.a.	n.a.	16.3	---	11.2
Durable goods	82,865	115,573	n.a.	n.a.	n.a.	n.a.	11.8	---	15.3
Nondurable goods	154,865	147,447	n.a.	n.a.	n.a.	n.a.	9.6	---	8.7

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Maine Through Fourth Quarter, 1978

	United States			Maine			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV 1978:IV
	Not seasonally adjusted						Percent change		
New business incorporations	191,811	n.a.	354	434	419	n.a.	8.2	24.0	---
Total number of business failures	1,684	n.a.	9	0	0	n.a.	-8.5	---	---
General liabilities (thousands of dollars)	494,236	n.a.	9	0	0	n.a.	-44.2	---	---
Average liability per failure (thousands of dollars)	288	n.a.	9	0	0	n.a.	-38.4	---	---
Business failures by industry:									
Mining and manufacturing	248	n.a.	0	0	0	n.a.	-10.1	---	---
Construction	315	n.a.	0	0	0	n.a.	1.0	---	---
Wholesale trade	191	n.a.	0	0	0	n.a.	-27.1	---	---
Retail trade	688	n.a.	0	0	0	n.a.	-4.2	---	---
Commercial services	238	n.a.	0	0	0	n.a.	-24.0	---	---

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

- Personal income** —Up 10.4% vs. 12.6% in U.S., to \$35.9 billion
—Private service-type payrolls up 10.7% vs. 13.1% in U.S.
—Federal Government payrolls up 5.6% vs. 7.1% in U.S.
- Consumer prices** —Up 6.4% in Baltimore and 9.1% in Washington, D.C. vs. 8.9% in U.S.
- Employment** —Up 5.5% vs. 3.9% in U.S., to 2.0 million
- Unemployment** —Down 2,000, to 105,000
—Rate down 0.3 percentage point, to 5.1% of labor force vs. 5.5% in U.S.
- Construction** —Total valuation of contracts up 31.5% vs. 16.8% in U.S., to \$754 million
—Nonbuilding contracts more than doubled in valuation vs. 22.2% gain in U.S., to \$170 million
—Number of dwelling-unit starts down 6.8% vs. near stability in U.S., to 6,019
- Retail sales** —Up 8.2% vs. 11.2% in U.S., to \$4.4 billion

TABLE 1.—Summary of Economic Indicators, United States and Maryland Through Fourth Quarter, 1978

	United States			Maryland			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV 1978:IV	1977:IV 1978:IV
	All indicators, except income, not seasonally adjusted						Percent change		
Total personal income (millions of dollars)	1,503,508	1,782,519	31,579	32,550	34,791	35,884	12.4	10.2	12.6
Total wages and salaries (millions of dollars)	1,013,219	1,346,696	18,856	19,323	20,717	21,289	12.1	9.8	12.6
Civilian employed (thousands)	92,442	99,010	1,855	1,856	1,993	1,958	4.1	5.3	3.9
Unemployment (thousands)	5,349	5,805	109	107	96	105	-9.6	-11.9	-8.8
Percent unemployed (unemployment/labor force)	5.2	5.5	5.5	5.4	4.7	5.3	—	—	—
Total loans (millions of dollars)	510,502	n.a.	7,537	7,719	8,449	n.a.	18.3	12.1	—
Total deposits (millions of dollars)	\$26,511	n.a.	10,567	10,618	11,225	n.a.	11.5	6.8	—
Total valuation of construction contracts (thousands of dollars)	38,813,131	45,456,773	813,540	573,257	1,007,918	753,997	14.5	23.9	16.9
Dwelling units started (number)	445,772	443,075	8,813	5,455	7,198	5,079	1.8	-14.4	-6
Total retail sales (millions of dollars)	197,030	218,020	n.a.	4,977	4,083	4,412	10.3	—	11.2
New business incorporations (number)	109,411	n.a.	1,795	1,942	2,150	n.a.	8.2	19.8	—
Business failures (number)	3,494	n.a.	53	64	20	n.a.	-8.5	-92.3	—
Consumer Price Index (1967=100):									
U.S. city average	185.3	201.8	—	—	—	—	7.5	—	8.3
Baltimore	—	—	188.8	194.7	202.6	203.9	—	7.3	—
Washington, D.C.	—	—	185.5	188.3	201.8	206.3	—	6.8	—

n.a.: Data not available.

Source: See Tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Maryland increased 10.4 percent from 1977:IV to 1978:IV, lagging the Nation's gain by over 2 percentage points (table 2). In 1978:IV, Maryland's personal income totaled \$35.9 billion, up \$3.4 billion since 1977:IV. During this time span, consumer prices increased 6.4 percent in the Baltimore metropolitan area and 9.1 percent in the Washington, D.C. area; nationally, the price increase was 8.9 percent (table 3). If the average of the two metropolitan area increases is used as an indicator for price increases throughout the State, real total personal income in Maryland increased about 2.7 percent from year to year versus 3.7 percent nationally.

Since the last national business cycle peak in 1973:IV, Maryland's economy has grown more slowly than the Nation's; the increase in the

State's nonfarm income was 16 percent less than nationally, ranking Maryland 45th among all States.

Wage and salary disbursements (payrolls) in Maryland increased 10 percent from 1977:IV to 1978:IV, a rate that was lower in only the States. Payrolls in most major industries registered gains that lagged national counterparts. Federal Government payrolls increased 5 percent, the smallest payroll gain in Maryland, to \$3.1 billion. Nondurable manufacturing payrolls increased 7.5 percent, 2 percentage points below the Nation's average increase; durable payrolls increased 13.2 percent, 2.0 percentage points below the Nation's increase. Trade payrolls increased 9.4 percent, a rate that was lower in only two States, to \$3.7 billion. Services payrolls increased 12.0 percent lagging the 12.7-percent national gain, to \$3.6 billion.

Construction payrolls increased 16.0 percent—the largest payroll gain in the State—versus 20.1 percent nationally.

Transportation-communication-public utilities payrolls increased 13.2 percent, compared with 11.3 percent nationally. State and local government payrolls increased 8.9 percent, outpacing the national gain of 6.8 percent, to \$3.2 billion.

State unemployment insurance benefits declined 38.6 percent from year to year, to \$101 million.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
(Seasonally adjusted)

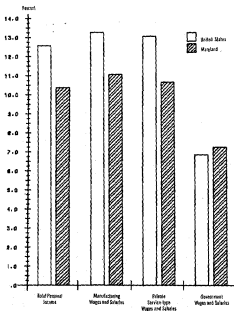


Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

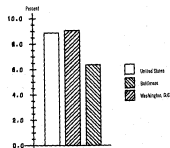


Chart 3.—Total Personal Income
[Seasonally adjusted]

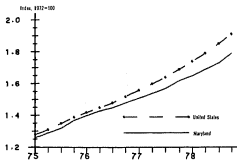


Chart 4.—Industrial Composition of Wages and Salaries: Maryland
[Seasonally adjusted]

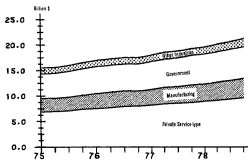


TABLE 2.—Personal Income, United States and Maryland Through Fourth Quarter, 1978

	United States			Maryland			U.S. State U.S. State		
	1977:IV	1978:IV	1977:II	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV
	Billions of dollars, seasonally adjusted at annual rates ¹						Percent change ²		
Total personal income	1,583,548	1,782,511	31,579	32,510	34,791	35,884	12.4	16.2	18.4
Farm personal income	31,274	36,451	130	162	262	314	47.9	102.1	93.9
Nonfarm personal income	1,552,274	1,746,060	31,450	32,348	34,529	35,570	9.8	12.3	10.6
Total personal income	1,583,548	1,782,511	31,579	32,510	34,791	35,884	12.4	16.2	18.4
Wage and salary disbursements	1,013,216	1,140,686	18,859	19,333	20,717	21,288	12.1	9.8	10.1
Other labor income	96,016	111,719	1,513	1,588	1,748	1,805	17.0	15.6	18.4
Proprietors' income	109,903	129,955	1,565	1,617	1,851	1,959	21.5	18.3	18.9
Farms	23,636	31,844	62	93	189	237	66.6	203.7	154.4
Nonfarms	87,267	98,111	1,503	1,524	1,662	1,722	12.8	10.6	15.3
Dividends, interest, and rent	214,902	242,442	3,768	3,739	3,958	3,697	12.3	10.4	12.8
Transfer payments	215,944	232,709	3,624	3,909	4,174	4,246	8.6	9.2	8.6
State unemployment insurance benefits	11,128	7,753	150	165	102	101	-24.0	-32.1	-38.6
Less personal contributions	62,212	71,610	1,268	1,234	1,390	1,386	14.8	12.6	15.3
Plus: residence adjustment	-401	-473	3,769	3,869	4,853	4,275	—	—	—
Wages and salary disbursements	1,013,216	1,140,686	18,859	19,333	20,717	21,288	12.1	9.8	10.1
Farms	7,116	7,839	63	62	67	70	8.5	8.2	10.6
Nonfarms	1,006,040	1,132,757	18,796	19,270	20,650	21,218	12.1	9.9	10.1
Mining	14,048	18,813	73	19	26	26	26.5	12.8	31.8
Construction	55,648	66,858	1,213	1,237	1,284	1,434	19.1	14.5	20.1
Manufacturing	276,112	312,379	5,235	5,417	5,629	5,750	12.1	12.2	13.3
Durable goods	176,216	203,071	1,986	2,145	2,262	2,458	13.7	17.9	15.2
Non-durable goods	99,896	109,317	1,249	1,272	1,267	1,292	9.4	3.2	10.0
Private service-type	455,764	515,348	8,618	8,765	9,455	9,704	12.8	9.7	13.1
Transportation, communication, and public utilities	76,584	85,204	1,205	1,270	1,327	1,370	10.4	9.2	11.2
Wholesale and retail trade	170,888	199,825	3,213	3,252	3,588	3,667	13.5	8.3	14.1
Finance, insurance, and real estate	54,462	61,833	942	965	1,020	1,041	14.1	8.3	13.2
Services	155,841	173,136	3,148	3,238	3,520	3,621	12.6	11.8	12.7
Government	201,255	215,881	5,863	5,801	6,341	6,223	7.4	7.7	6.8
Federal	88,174	73,003	2,813	2,903	2,938	3,045	7.3	4.5	7.1
State and local	113,071	142,878	2,850	2,898	3,403	3,178	7.5	11.0	6.8
Other	3,216	3,885	45	46	53	52	18.7	16.2	14.6

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Maryland Through Fourth Quarter, 1978¹

	United States			Maryland			U.S. State U.S. State		
	1977:IV	1978:IV	1977:II	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV
	Index, 1967=100, not seasonally adjusted						Percent change		
U.S. city average ²	169.3	201.8	—	—	—	—	2.5	—	8.3
Baltimore	—	—	188.8	156.7	202.6	203.8	—	7.3	6.4
Washington, D.C.	—	—	189.5	188.1	201.8	205.3	—	8.8	6.1

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Seasonized data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparison over time.

Labor Force

From 1977:IV to 1978:IV, Maryland's civilian labor force increased 5.1 percent, well above the Nation's 3.1-percent advance and among the largest of all State advances (table 4). Total employment increased from 1.9 million to 2.0 million, a 5.5-percent advance that led the national average advance by 1.6 percentage points.

With employment increasing by 102,000 and the labor force increasing by 100,000, the number of unemployed declined by 2,000. The unemployment rate declined 0.3 percentage point, to 5.1 percent of the

labor force, compared with 5.5 percent nationally. In 1978:IV, as in 1977:IV, Maryland's unemployment rate was lower than the Nation's.

Across the State, unemployment rates varied somewhat. According to preliminary data for December 1978, the unemployment rate in the Baltimore metropolitan area was 6.2 percent, and the rate in the rest of the State was 5.1 percent. The preliminary statewide rate was 5.4 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV; Maryland

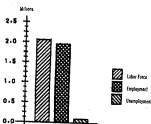


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

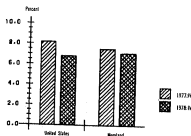


TABLE 4.—Labor Force, United States and Maryland Through Fourth Quarter, 1978

	United States and Maryland: Fourth Quarter, 1978											
	United States						Maryland		U.S.	State	U.S.	State
	1977:IV		1978:IV		1977:IV		1978:IV		1977:IV—1978:IV		1977:IV—1978:IV	
	Thousands of persons, not seasonally adjusted ¹											Percent change ²
Employees on nonagricultural payrolls	84,210	87,768	1,551	1,562	1,601	1,616	4.3	3.2	4.2	3.7		
Mining	787	889	2	1	2	2	8.2	.0	14.2	7.1		
Construction	4,632	4,488	93	31	69	67	10.4	6.0	11.3	6.3		
Manufacturing	19,906	20,722	237	238	244	246	2.1	3.0	3.7	3.5		
Transportation, communication, and public utilities	4,701	4,971	82	81	83	85	2.8	4.4	4.4	5.0		
Wholesale and retail trade	14,182	15,015	373	378	379	388	5.3	1.4	4.5	2.9		
Finance, insurance, and real estate	4,852	4,758	85	88	89	87	4.8	4.4	4.4	3.3		
Services	15,639	16,215	318	307	324	324	4.6	4.3	4.4	3.4		
Government	15,434	15,686	268	362	324	390	2.1	3.7	1.4	2.1		
Civilian labor force ³	88,581	90,163	1,582	1,583	1,640	1,663	3.2	4.3	3.1	3.1		
Total employed	92,642	96,610	1,855	1,856	1,953	1,958	4.1	5.3	3.9	5.5		
Total unemployed	6,140	5,695	105	107	96	105	-6.8	-11.9	-8.8	-1.9		
Percent unemployed	6.2	5.5	0.5	0.4	0.7	0.5						

1. Detail may not add to totals because of rounding.

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

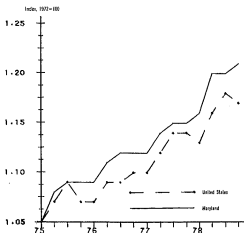


Chart 8.—Civilian Employment

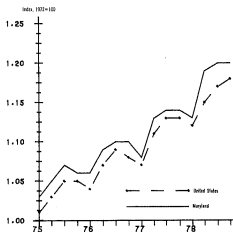


Chart 9.—Unemployment Rate

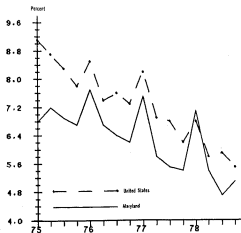
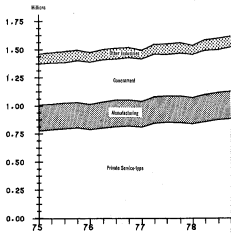


Chart 10.—Industrial Composition of Nonagricultural Employment: Maryland



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Maryland Through Fourth Quarter, 1978

	United States			Maryland			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	\$10,562	n.a.	7,537	7,719	9,448	n.a.	16.3	12.3	---	---
Commercial and industrial	156,317	n.a.	1,634	1,614	1,779	n.a.	14.2	8.9	---	---
Real estate	146,599	n.a.	2,276	2,371	2,619	n.a.	22.2	15.1	---	---
Auto	377,536	n.a.	3,020	3,104	3,485	n.a.	19.9	15.0	---	---
Personal	341,236	n.a.	1,725	1,843	2,112	n.a.	21.3	22.4	---	---
Government securities	7,731	n.a.	71	69	76	n.a.	10.7	6.1	---	---
U.S. Treasury bills	68,968	n.a.	1,334	1,791	1,297	n.a.	19.0	5.1	---	---
U.S. Government bonds	25,104	n.a.	61	59	60	n.a.	8.8	-1.8	---	---
State and local government bonds	63,567	n.a.	530	512	509	n.a.	8.8	-5.8	---	---
Total deposits	925,511	n.a.	18,507	16,618	11,226	n.a.	11.5	6.8	---	---
Checking	377,683	n.a.	4,192	4,198	4,468	n.a.	10.2	6.6	---	---
Savings	547,828	n.a.	6,315	4,420	6,758	n.a.	12.3	7.6	---	---

¹Figures may not add to totals because of rounding.
²Based on unrounded data.
 n.a.: U.S. Federal Deposit Insurance Corporation.

Construction

The total valuation of contracts rose 31.5 percent from 1977:IV to 1978:IV, to \$754 million (table 6). Maryland's gain far exceeded the Nation's 16.8-percent average gain and ranked seventh among all State gains. National construction costs rose almost 13 percent during the same timespan; if this rise reflects the advance throughout Maryland, the real total valuation of contracts rose more than 18 percent in the State versus a national rise of about 4 percent.

The valuation of nonbuilding contracts rose to well over twice the level of a year previous. Maryland's percent gain ranked fourth in the Nation and was over six times as large as the Nation's 22.2-percent gain. The State's gain totaled \$98.6 million and accounted for 55 percent of the gain in the valuation of all contracts. A major component of nonbuilding contracts, streets and highways, registered a 72.5-percent gain in valuation, in contrast with a decline of 16.3 percent nationally.

Nonresidential contracts rose 30.1 percent in valuation from year to year, almost twice the Nation's average gain, to \$186.5 million.

The valuation of contracts for additions and alterations to residential housekeeping units rose 20.4 percent, almost 6 percentage points more than nationally, to \$153.8 million.

Registering the smallest gain among major construction categories in the State, residential housekeeping contracts rose only 5.5 percent in valuation, lagging the Nation's gain of 15.6 percent. The gain was one of the smallest registered among all States. The number of dwelling units started in Maryland declined 6.8 percent, or 436 units, to 6,019. Nationally, in contrast, the number of dwelling units started was almost unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

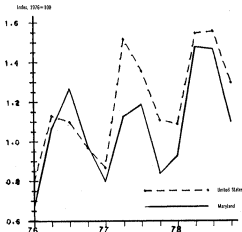


Chart 15.—Construction Contracts—Valuation of Contracts by Type Maryland

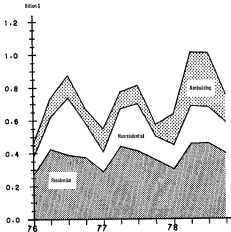


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:I

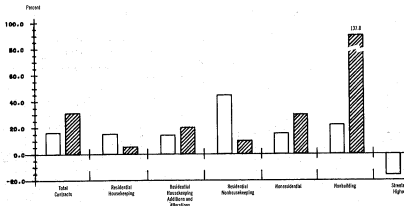


TABLE 6.—Construction Contracts, United States and Maryland Through Fourth Quarter, 1978¹

	United States			Maryland			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:III	
	Not seasonally adjusted						Percent change ²			
Total value of contracts	38,912,110	46,459,773	813,540	573,257	1,067,938	753,997	14.5	23.9	16.8	31.5
Residential housekeeping, additions and alterations	3,707,087	8,832,353	128,489	127,721	161,430	153,783	16.8	24.7	14.6	20.4
Valuation (thousands of dollars)	861,452	971,506	18,899	12,465	17,604	15,959	14.8	-4.4	10.2	16.7
All other contracts	62,789	56,928	1,066	1,064	1,343	1,894	4.4	34.3	-9.3	1.9
Valuation (thousands of dollars)	31,285,124	36,627,420	584,051	445,536	846,508	680,214	14.0	23.7	17.4	34.7
Floor area (thousands of square feet)	1,811,531	2,198,518	272,791	275,081	294,838	237,436	15.3	7.8	15.6	5.5
Residential housekeeping	519,733	641,794	11,750	9,367	11,739	9,619	10.3	1.4	10.7	4.9
Number of contracts	507	585	11	8	4	8	-10.0	-63.6	-4	0
Valuation (thousands of dollars)	338,637	490,279	5,189	5,801	2,778	6,168	5.4	-83.8	44.8	10.1
Floor area (thousands of square feet)	8,467	10,560	284	139	87	123	-7	-89.2	24.7	-11.3
Nonresidential	30,756	27,855	615	616	517	465	-2.5	-15.6	-12.0	-24.4
Valuation (thousands of dollars)	9,334,015	10,818,346	289,027	143,332	221,000	186,546	27.4	-23.5	15.8	30.1
Floor area (thousands of square feet)	283,253	318,246	8,959	3,465	5,188	5,123	12.2	-16.7	8.9	56.4
Nonbuilding	16,701	15,176	241	323	769	504	22.4	194.2	-9.1	55.0
Valuation (thousands of dollars)	6,852,478	8,127,854	113,044	71,520	328,692	170,866	-1	150.8	-2.2	137.8
Streets and highways	4,986	4,093	71	79	180	91	9.3	153.5	-17.8	24.7
Valuation (thousands of dollars)	2,369,461	1,831,341	28,631	26,025	76,433	34,637	3.0	167.8	-16.3	72.5

1. Contracts started or expected to start within 90 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Maryland totaled \$4.4 billion in 1978:IV, up 8.2 percent (increase table 7). In 1978:IV, nondurable goods accounted for \$3.1 billion, and durable goods accounted for \$1.3 billion.

TABLE 7.—Retail Sales, United States and Maryland Through Fourth Quarter, 1978

	United States			Maryland			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:III	
	Millions of dollars, not seasonally adjusted						Percent change			
Total sales	167,038	219,020	n.a.	4,077	4,683	4,432	16.3	---	11.2	8.2
Durable goods	62,065	71,573	n.a.	n.a.	1,318	1,212	13.8	---	15.3	---
Nondurable goods	134,965	147,447	n.a.	n.a.	2,365	3,160	8.8	---	8.2	---

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Maryland Through Fourth Quarter, 1978

	United States			Maryland			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:III	
	Not seasonally adjusted						Percent change			
New business incorporations	198,413	n.a.	1,795	1,942	2,150	n.a.	8.2	16.8	---	---
Total number of business failures	1,884	n.a.	53	94	20	n.a.	-4.5	-62.3	---	---
Current liabilities (thousands of dollars)	404,296	n.a.	2,322	5,445	1,713	n.a.	-44.2	-75.9	---	---
Average liability per failure (thousands of dollars)	288	n.a.	134	88	86	n.a.	-38.4	-35.8	---	---
Business failures by industry										
Wholesale and retail trade	340	n.a.	7	11	1	n.a.	-18.3	-95.3	---	---
Construction	318	n.a.	35	25	4	n.a.	1.6	-66.0	---	---
Wholesale trade	191	n.a.	3	7	2	n.a.	-27.1	-33.3	---	---
Retail trade	638	n.a.	19	18	8	n.a.	-8.2	-57.8	---	---
Commercial services	238	n.a.	9	3	2	n.a.	-24.0	-77.8	---	---

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

- Personal income** —Up 11.4%, 1.2 percentage points less than in U.S.
—Weak increases in construction and transportation-communication-public utilities
- Consumer prices** —Up 7.5% in Boston vs. 8.9% in U.S.
- Employment** —Up 2.9% vs. 3.9% in U.S., to almost 2.7 million
- Unemployment** —Down between 36,000 and 37,000, to 144,000
—Rate down to 5.1% of labor force vs. 5.5% U.S. rate
- Construction** —Total valuation of contracts up 22.1% vs. 16.8% in U.S., to \$884 million
—Two unusually large contracts accounted for one-half of State gain
—Number of dwelling-unit starts down 1.0% vs. little change in U.S., to 5,541
- Retail sales** —Up 13.2% vs. 11.2% in U.S., to \$5.8 billion

TABLE 1.—Summary of Economic Indicators, United States and Massachusetts Through Fourth Quarter, 1978

	United States			Massachusetts			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV
	All indicators, except income, not seasonally adjusted						Percent change		
Total personal income (millions of dollars)	1,583,588	52,519	42,342	43,460	47,259	48,400	12.4	11.6	12.6
Total wages and salaries (millions of dollars)	1,817,216	1,146,686	28,953	27,689	36,329	32,394	12.1	12.5	12.8
Civilian employment (thousands)	82,442	96,010	2,581	2,614	2,783	2,888	4.3	4.7	3.9
Unemployment (thousands)	6,148	5,668	244	381	381	344	-6.8	-25.8	-8.8
Percent unemployed (unemployment/labor force)	6.2	5.5	8.6	8.5	8.3	5.1	---	---	---
Total loans (millions of dollars)	630,562	n.a.	10,943	10,251	11,226	n.a.	16.3	11.8	---
Total deposits (millions of dollars)	925,511	n.a.	35,371	36,334	36,652	n.a.	11.5	8.6	---
Total valuations of construction contracts (thousands of dollars)	38,913,111	45,459,773	706,577	725,512	917,119	883,728	14.5	29.8	16.8
Dwelling units started (number)	445,772	443,975	5,000	5,598	6,387	5,541	1.0	27.7	-6
Total retail sales (millions of dollars)	197,630	218,823	4,515	5,138	5,084	5,613	18.3	12.6	11.2
New business incorporations (number)	108,431	n.a.	2,289	2,504	2,414	n.a.	8.2	5.5	---
Business failures (number)	1,884	n.a.	81	61	53	n.a.	-9.5	-34.6	---
Consumer Price Index (1967=100):									
U.S. city average	185.3	201.8	---	---	---	---	7.9	---	8.9
Boston	---	---	185.8	185.3	194.2	199.2	---	5.9	---

n.a.: Data not available.

Source: See tables 2 through 8.

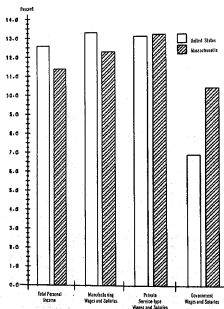
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 11.4 percent from 1977:IV to 1978:IV, 1.2 percentage points less than nationally (table 2). In 1978:IV, Massachusetts' total personal income was \$48.4 billion—up \$4.9 billion since 1977:IV. In most New England States, the increase in total personal income was fairly close to the national average.

Since the last national business cycle peak (1973:IV), Massachusetts' economic growth has been slow; the increase in nonfarm income was 15 percent less than nationally, ranking Massachusetts 44th among all States. All of the States that grew more slowly than Massachusetts were in the Northeast.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
(Seasonally adjusted)



Consumer prices in Boston increased 7.5 percent from 1977:IV 1978:IV versus a national increase of 8.9 percent (table 3). If Boston index is used as an indicator for price movements in the State, real total personal income in Massachusetts increased 3.9 percent, about the same as in the Nation.

Wage and salary disbursements (payrolls) increased 12.3 percent in Massachusetts versus 12.6 percent in the Nation. In 1978:IV, payrolls totaled \$31.1 billion, up \$3.4 billion since 1977:IV.

The State's lag was particularly pronounced in construction, where payrolls increased 10.0 percent, or about one-half of the national increase. Manufacturing payrolls in Massachusetts increased 12.3 percent, percentage point less than in the Nation. The lag was in durable goods manufacturing payrolls, which accounted for 20 percent of all payrolls in the State in 1978:IV. Nondurable goods manufacturing payrolls increased 1.5 percentage points more in the State than in the Nation.

Payrolls were weak in transportation-communication-public utilities and in finance-insurance-real estate. In contrast, increases in the State services and trade were stronger than corresponding increases in the Nation.

Both Federal and State and local government payrolls increased more in Massachusetts than in the Nation.

State unemployment insurance benefits declined 42.6 percent versus a decline of 30.3 percent in the Nation. Only nine States had larger declines.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

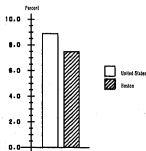


Chart 3.—Total Personal Income
(Seasonally adjusted)

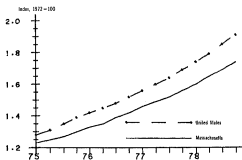


Chart 4.—Industrial Composition of Wages and Salaries: Massachusetts
(Seasonally adjusted)

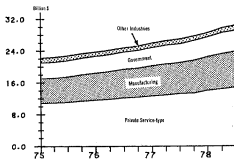


TABLE 2.—Personal Income, United States and Massachusetts Through Fourth Quarter, 1978¹

	United States			Massachusetts			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III- 1978:III	1977:III- 1978:III	1977:III- 1978:III
	Millions of dollars, seasonally adjusted at annual rates ²						Percent change ³		
Total personal income	1,583,588	1,782,519	42,342	43,469	47,255	48,400	12.4	11.6	12.6
Farm personal income	31,224	38,451	75	80	88	95	47.9	17.7	26.2
Nonfarm personal income	1,552,284	1,744,068	42,267	43,389	47,172	48,304	11.9	11.6	12.3
Total personal income	1,583,588	1,782,519	42,342	43,469	47,255	48,400	12.4	11.6	12.6
Wage and salary disbursements	1,013,216	1,140,896	26,353	27,698	30,335	31,104	12.1	12.5	12.6
Other labor income	96,016	111,719	2,516	2,641	2,956	3,025	17.0	17.5	16.4
Proprietors' income	105,563	125,995	1,844	2,008	2,150	2,230	21.5	8.9	18.0
Form	23,616	31,441	21	25	31	37	66.6	43.6	59.3
Nonfarm	82,317	94,451	1,863	1,982	2,130	2,194	12.8	8.5	15.3
Dividends, interest, and ret.	214,962	262,442	6,137	6,266	6,782	6,952	12.3	10.5	12.8
Transfer payments	215,944	233,758	6,472	6,504	6,900	7,076	8.8	8.0	8.7
State unemployment insurance benefits	11,128	7,753	360	363	235	208	-24.0	-34.6	-30.3
Less: personal contributions	62,212	71,610	1,527	1,557	1,747	1,770	14.8	14.5	15.1
Plus: residence adjustment	-401	-473	-182	-191	-216	-218	-	-	-
Wage and salary disbursements	1,013,216	1,140,896	26,353	27,698	30,335	31,104	12.1	12.5	12.6
Form	7,176	7,939	49	51	52	55	8.5	7.5	10.6
Nonfarm	1,006,040	1,132,757	26,304	27,648	30,283	31,049	12.1	12.6	12.6
Mining	14,998	16,812	14	13	15	15	26.5	8.4	35.9
Construction	53,448	64,858	1,806	1,935	1,119	1,117	19.1	10.4	26.1
Manufacturing	278,112	312,970	7,353	8,234	9,034	9,233	13.1	16.5	13.3
Durable goods	176,256	200,083	5,078	5,483	6,034	6,188	13.7	18.1	15.2
Non-durable goods	99,856	109,917	2,275	2,753	3,000	3,045	9.4	12.2	20.0
Private service-type	456,764	515,348	13,280	13,392	14,763	15,160	12.8	11.2	13.1
Transportation, communication, and public utilities	70,564	85,264	1,899	1,795	1,871	1,862	10.4	10.2	11.3
Wholesale and retail trade	170,868	195,025	4,523	4,957	5,063	5,229	13.6	11.9	14.1
Finance, insurance, and real estate	54,462	61,283	1,884	1,685	1,662	1,667	14.1	9.6	13.2
Services	163,840	173,294	5,378	5,350	5,662	5,663	12.6	11.3	12.7
Government	201,252	215,083	4,759	4,908	5,251	5,417	7.4	10.3	6.9
Federal	68,176	73,003	1,139	1,184	1,211	1,276	2.3	6.3	7.1
State and local	133,076	142,080	3,620	3,725	4,040	4,140	7.5	11.6	6.8
Other	2,216	3,685	93	95	169	108	18.7	17.5	14.6

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Analysis Division.

TABLE 3.—Consumer Price Index, United States and Massachusetts Through Fourth Quarter, 1978¹

	United States			Massachusetts			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III- 1978:III		
	Index, 1967=100, not seasonally adjusted						Percent change		
U.S. city average ²	185.3	201.8	---	---	---	---	7.8	---	8.9

1. Consumer Price Indexes are shown for the most relevant SNA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and rounded data are subsequent quarters. Users are alerted to exercise caution when making comparisons over time.

Labor Force

from 1977:IV to 1978:IV, the civilian labor force in Massachusetts increased 1.4 percent, 1.7 percentage points less than in the Nation (table 4). Forty-one States had larger increases. Total employment in Massachusetts increased 2.9 percent, 1 percentage point less than in the Nation, to almost 2.7 million.

As the labor force increased by about 38,000 and total employment increased by about 74,000, unemployment declined by between 36,000 and 37,000, to 144,000. In 1978:IV, the unemployment rate in Massachusetts was 5.1 percent, compared with a national rate of 5.5 percent. The State's unemployment rate declined 1.4 percentage points

from year to year versus a decline in the Nation of 0.7 percentage point. Only eight States—four of them in New England—had larger declines in unemployment rates than Massachusetts.

In December 1978, Massachusetts' preliminary unemployment rate was 5.7 percent, down only fractionally from the December 1977 rate. Unemployment rates in major metropolitan areas of the State ranged from 8.2 percent in New Bedford to 4.7 percent in Worcester. Rates for the Boston metropolitan area—which accounts for almost one-half of the total labor force in the State—were 5.1 percent in December 1978 and 5.4 percent in December 1977.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV
Massachusetts

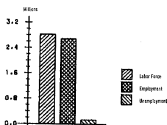


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

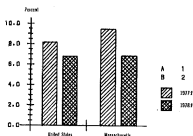


TABLE 4.—Labor Force, United States and Massachusetts Through Fourth Quarter, 1978

	United States			Massachusetts			U.S.	State	U.S.	State	
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:II-1978:II		1977:IV-1978:IV		
	Thousands of persons, not seasonally adjusted ¹						Percent change ²				
Employees on nonagricultural payrolls	84,710	87,708	2,425	2,463	2,520	2,556	4.3	3.9	4.2	4.2	
and services	18,328	17,114	540	546	574	390	—	6.3	—	6.2	
Wholesale and retail trade	4,032	4,488	86	75	84	80	10.4	4.9	11.3	6.7	
Dining, recreation, communication, and public utilities	10,986	10,722	626	634	647	666	3.1	4.4	3.7	4.1	
Finance and insurance, and real estate	4,761	4,971	113	115	115	117	3.0	1.6	4.4	1.5	
Government	19,157	20,015	543	551	585	586	5.3	3.9	4.5	5.3	
Unemployed	4,852	4,756	140	139	145	143	4.8	3.1	-2.0	3.2	
Total	15,438	15,956	387	393	396	394	2.1	6	1.4	.9	
Civilian labor force ³	99,651	101,611	2,825	2,795	2,894	2,833	3.2	2.3	3.1	1.4	
Employed	92,442	96,010	2,581	2,814	2,763	2,688	4.3	4.7	2.9	2.9	
Unemployed	8,149	5,605	244	181	131	144	-9.8	-25.8	-6.8	-29.4	
Unemployment rate	8.2	5.5	9.6	6.5	6.3	5.1	—	—	—	—	

Detail may not add to totals because of rounding.

Source: as announced data.

Beginning January 1978, these data are being estimated by new methods, using more current data. This may break in the series, and users are advised to exercise caution when making comparisons over time.

U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

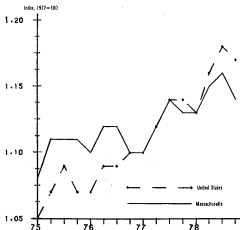


Chart 8.—Civilian Employment

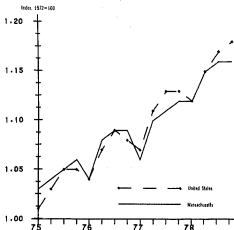


Chart 9.—Unemployment Rate

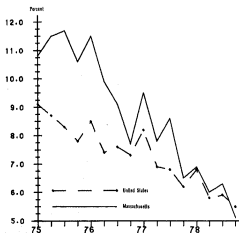
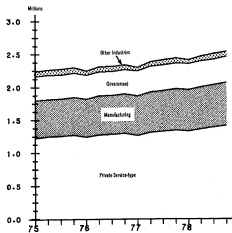


Chart 10.—Industrial Composition of Nonagricultural Employment: Massachusetts



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Massachusetts Through Fourth Quarter, 1978

	United States			Massachusetts			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:IV	1977:IV	1978:IV	1978:IV	1977:III— 1978:IV		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,502	n.a.	16,945	16,250	11,236	n.a.	66.3	11.8	---	---
Commercial and industrial	196,717	n.a.	4,563	4,615	4,891	n.a.	14.2	8.1	---	---
to individuals	149,596	n.a.	2,190	2,254	2,463	n.a.	20.2	12.3	---	---
Real estate	177,935	n.a.	2,316	2,374	2,777	n.a.	19.5	19.9	---	---
Consumer	161,236	n.a.	1,135	1,190	1,457	n.a.	21.3	26.4	---	---
autos	7,751	n.a.	2	2	3	n.a.	16.7	20.0	---	---
other	86,968	n.a.	1,189	1,181	1,318	n.a.	15.0	11.7	---	---
other, excluding real estate	25,704	n.a.	10	10	28	n.a.	8.8	105.0	---	---
other	89,947	n.a.	982	937	1,027	n.a.	8.0	6.7	---	---
Total deposits	926,515	n.a.	15,331	16,334	16,652	n.a.	11.5	6.8	---	---
demand	377,883	n.a.	7,158	8,044	7,735	n.a.	10.2	8.2	---	---
savings	547,828	n.a.	8,173	8,290	8,917	n.a.	12.3	9.1	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 22.1 percent in the State and 16.8 percent in the Nation (table 6). In 1978:IV, contracts in the State totaled \$884 million, for a gain over the year of \$160 million. Well over one-half of Massachusetts' gain in the total valuation of contracts was traceable to two unusually large contracts in 1978:IV in Middlesex County—a \$44 million hospital and a \$47 million railroad tunnel. If these contracts are excluded, the total valuation of contracts in the State would have increased 9.5 percent.

National construction costs increased about 13 percent; if this increase is representative of cost changes in Massachusetts, the real valuation of construction contracts (including the Middlesex County contracts) increased about 9 percent versus about 4 percent nationally.

Partly reflecting the hospital contract, the valuation of nonresidential contracts increased 69.6 percent (\$111 million) versus a 15.8-percent gain nationally. Only four States had larger gains.

The valuation of nonbuilding contracts increased only 2.2 percent in Massachusetts versus an increase of 22.2 percent nationally. Excluding the railroad tunnel contract, the valuation of nonbuilding contracts would have declined nearly 13 percent. Street and highway contracts declined 65.3 percent in valuation versus a decline of 16.3 percent nationally.

Contracts for additions and alterations to residential house units increased only 0.8 percent in valuation in the State, in contrast to a gain of 14.6 percent in the Nation. Thirty-nine registered larger increases. The number of dwelling units started down 1.0 percent. Nationally, the number of dwelling units started almost unchanged at a high level. In 1978:IV, 5,541 dwelling units started in the State, for a decline over the year of 57 units. The value of residential housekeeping contracts increased 20.4 percent in the State versus 15.6 percent in the Nation.

Chart 14.—Construction Contracts—Total Valuation

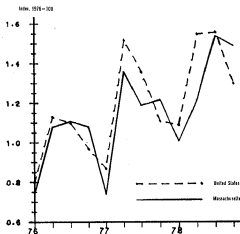


Chart 15.—Construction Contracts—Valuation of Contracts by Type, Massachusetts

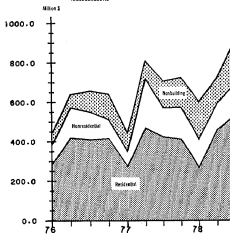


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

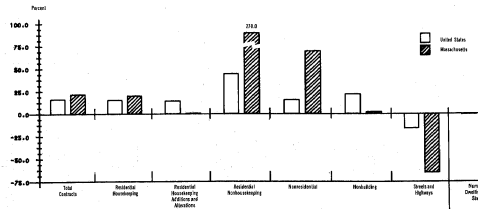


TABLE 6.—Construction Contracts, United States and Massachusetts Through Fourth Quarter, 1978^a

	United States			Massachusetts			U.S.	State	U.S.	State
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III— 1978-III		1977-IV— 1978-IV	
	Not seasonally adjusted						Percent change ^b			
Total value of contracts	38,613,111	45,459,773	786,577	772,512	917,119	883,726	14.5	29.8	15.8	22.4
Residential housekeeping, additions and alterations:										
Value (in thousands of dollars)	7,707,587	8,832,253	213,000	214,988	281,576	216,733	16.8	18.8	14.6	4
All other contracts										
Number of contracts	42,318	56,928	1,287	1,239	1,464	1,634	4.4	16.3	-9.3	-15.9
Value (in thousands of dollars)	31,785,124	36,627,478	469,557	558,514	635,543	666,993	14.0	35.3	17.4	31.2
Value (in thousands of dollars)	861,413	971,568	18,149	11,947	12,479	14,368	10.8	16.1	19.2	20.3
Residential housekeeping										
Number of contracts	14,825	14,192	123	156	128	127	-5.1	5.8	-4.3	-18.6
Value (in thousands of dollars)	462,712	443,075	5,005	5,598	6,397	5,541	1.0	27.7	-4.6	-1.0
Value (in thousands of dollars)	14,878,596	17,796,568	180,445	195,616	244,887	234,889	15.3	38.7	15.6	20.4
Value (in thousands of dollars)	579,773	641,795	6,812	6,630	7,874	7,050	10.3	29.3	10.7	6.3
Nonresidential										
Number of contracts	587	585	15	8	12	12	-10.0	-13.3	-4	50.0
Value (in thousands of dollars)	318,637	480,279	5,010	1,294	9,664	4,788	9.4	52.9	44.8	270.0
Value (in thousands of dollars)	7,467	10,560	122	32	242	42	-7	98.8	24.7	25.1
Nonresidential										
Number of contracts	32,756	21,855	589	414	568	543	-2.5	-3.6	-12.9	-11.6
Value (in thousands of dollars)	9,314,415	18,810,769	148,818	168,419	161,125	272,491	27.6	8.2	15.5	69.6
Value (in thousands of dollars)	293,253	318,246	4,536	5,285	4,363	7,276	12.2	-3.8	8.9	39.7
Nonbuilding										
Number of contracts	36,708	15,176	482	487	695	352	22.4	44.2	-9.1	-2.2
Value (in thousands of dollars)	6,652,476	8,122,854	125,264	151,880	219,854	154,855	-1	62.5	22.2	22.1
Streets and highways										
Number of contracts	4,965	4,089	134	945	150	71	9.3	12.7	-17.8	-54.0
Value (in thousands of dollars)	2,388,481	1,931,141	31,899	60,696	58,543	21,836	3.9	54.7	-16.3	-65.3

^a Contracts started or expected to start within 60 days.^b Percent changes for floor area based on rounded data.

Source: F. F. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Data for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Massachusetts totaled \$5.8 billion in 1978:IV, up 13.2 percent (\$577 million) since 1977:IV, compared with an 11.2-percent national increase (table 7). In 1978:IV, nondurable goods accounted for \$4.1 billion, and durable goods accounted for \$1.7 billion.

TABLE 7.—Retail Sales, United States and Massachusetts Through Fourth Quarter, 1978

	United States			Massachusetts			U.S.	State	U.S.	State
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III— 1978-III		1977-IV— 1978-IV	
	Billions of dollars, not seasonally adjusted						Percent change			
Retail sales	197,030	219,819	4,935	5,138	5,884	5,813	16.3	12.6	11.2	13
Durable goods	62,065	71,573	n.a.	n.a.	1,560	1,747	11.8	—	15.3	—
Nondurable goods	134,965	147,447	n.a.	n.a.	3,324	4,066	9.6	—	9.2	—

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

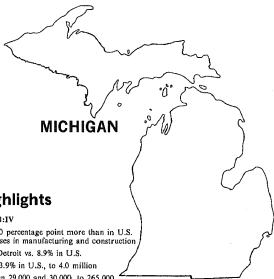
TABLE 8.—Business Incorporations and Failures, United States and Massachusetts Through Fourth Quarter, 1978

	United States			Massachusetts			U.S.	State	U.S.	State
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III— 1978-III		1977-IV— 1978-IV	
	Not seasonally adjusted						Percent change			
New business incorporations	326,413	n.a.	2,386	2,594	2,414	n.a.	8.2	5.5	—	—
Total number of business failures	1,684	n.a.	81	51	63	n.a.	-9.5	-34.6	—	—
Current liabilities (thousands of dollars)	484,296	n.a.	16,749	13,105	11,762	n.a.	-44.2	-29.7	—	—
Average liability per failure (thousands of dollars)	288	n.a.	207	215	222	n.a.	-38.4	7.2	—	—
Business failures by industry										
Mining and manufacturing	245	n.a.	8	11	6	n.a.	-18.1	-25.0	—	—
Construction	309	n.a.	13	6	11	n.a.	1.0	-15.4	—	—
Wholesale trade	181	n.a.	14	5	8	n.a.	-27.1	-42.3	—	—
Retail trade	488	n.a.	33	35	20	n.a.	-4.2	-35.4	—	—
Commercial services	328	n.a.	13	4	8	n.a.	-24.0	-38.5	—	—

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



MICHIGAN

Highlights

1977:IV to 1978:IV

Personal income

- Up 13.6%, 1.0 percentage point more than in U.S.
- Strong increases in manufacturing and construction

Consumer prices

- Up 9.5% in Detroit vs. 8.9% in U.S.

Employment

- Up 2.4% vs. 3.9% in U.S., to 4.0 million

Unemployment

- Down between 29,000 and 30,000, to 265,000
- Rate down to 6.3% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts up 9.7% vs. 16.8% in U.S., to \$1.7 billion
- Large gain in valuation of nonbuilding contracts
- Number of dwelling-unit starts up 14.3% vs. little change in U.S., to 17,352

Retail sales

- Up 14.6% vs. 11.2% in U.S., to \$10.0 billion

Analysis

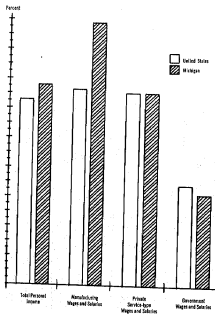
Personal Income

at personal income (seasonally adjusted at annual rates) increased 5 percent from 1977:IV to 1978:IV, 1.0 percentage point more than in the Nation (table 2). In 1978:IV, the State's personal income totaled \$4 billion, for a year-to-year increase of \$9.8 billion.

to the last national business cycle peak (1973:IV), Michigan's income has increased somewhat slowly; the increase in nonfarm income was 4 percent less than nationally, ranking Michigan 37th among all States.

summer prices from 1977:IV to 1978:IV increased 9.5 percent in the Detroit metropolitan area, an increase that was well above the national average of 8.9 percent (table 3). If Detroit's index is used as an indicator of price movements in the State, real total personal income in Michigan increased 4.1 percent from year to year versus 3.7 percent nationally.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)



Wage and salary disbursements (payrolls) increased 14.7 percent in Michigan versus 12.6 percent in the Nation. In 1978:IV, payrolls totaled \$55.0 billion, up \$7.1 billion since 1977:IV. Among all States, Michigan's increase ranked 12th.

Manufacturing payrolls increased 17.8 percent in the State versus 13.3 percent in the Nation. Strength extended to both durable and nondurable goods. Durable goods manufacturing payrolls increased 18.0 percent, 2.8 percentage points more than in the Nation. The increase, which reflected the rebound in automobile production, was particularly important inasmuch as durables payrolls accounted for 37.6 percent of all payrolls in Michigan in 1978:IV, compared with a national weight of 17.8 percent. Among all States, Michigan's increase in durable goods payrolls ranked 14th.

Private service-type payrolls increased 13.1 percent in both the State and Nation. The increase in transportation-communication-public utilities payrolls was 15.1 percent versus 11.3 percent in the Nation. The increases in all other components of the private service-type group were somewhat below increases in corresponding industries nationally. Construction payrolls increased 25.3 percent in the State versus 20.1 percent in the Nation.

In contrast, the increase in total government payrolls was smaller in Michigan than in the Nation; the increases in both Federal Government and State and local government payrolls were less in the State than nationally.

With the State and national economies continuing to expand, State unemployment insurance benefits declined 32.3 percent in Michigan and 30.3 percent in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

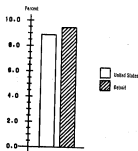


Chart 3.—Total Personal Income
(Seasonally adjusted)

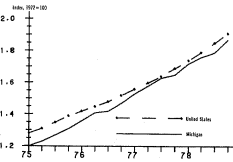


Chart 4.—Industrial Composition of Wages and Salaries: Michigan
(Seasonally adjusted)

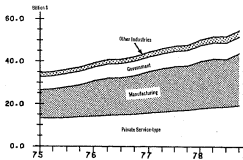


TABLE 2.—Personal Income, United States and Michigan Through Fourth Quarter, 1978

	United States			Michigan			U.S.		State		U.S.		State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV		1977:III— 1978:III		1977:IV— 1978:IV	
	Billions of dollars, seasonally adjusted at annual rates ¹						Percent change ²							
Total personal income	1,583,584	1,782,539	76,550	71,835	77,618	81,387	12.4	9.8	12.6	13.6				
Nonpersonal income	30,224	39,451	496	538	627	729	47.9	26.3	25.2	14.4				
Disposable personal income	1,553,284	1,743,088	76,163	70,997	76,992	80,668	11.9	9.7	12.3	13.6				
Total personal income	1,583,584	1,782,539	76,550	71,835	77,618	81,387	12.4	9.8	12.6	13.6				
Wage and salary disbursements	1,613,216	1,780,696	47,461	47,917	52,033	54,969	12.1	9.6	12.6	14.7				
Other labor income	96,616	111,719	6,043	6,170	6,835	7,260	17.6	13.1	16.4	16.3				
Transfer payments	395,953	425,095	3,115	3,293	3,529	3,718	23.8	12.3	18.9	12.9				
Farm	23,636	31,044	381	524	510	688	66.6	32.7	31.1	16.0				
Nonfarm	42,317	94,951	2,734	2,769	3,019	3,110	12.8	10.4	15.3	12.3				
Transfer payments, interest, and stock	214,992	242,442	7,889	8,063	8,719	8,939	12.3	10.5	13.8	11.0				
Transfer payments	715,844	735,750	8,551	8,602	9,183	9,248	8.8	7.4	8.2	7.5				
State unemployment insurance benefits	11,120	7,753	676	591	485	420	-24.0	-16.2	-36.3	-32.3				
Less personal contributions	62,212	71,610	2,734	2,738	3,059	3,213	14.6	11.7	15.1	17.3				
Less residence adjustment	-401	-473	332	338	368	375								
Wage and salary disbursements	1,613,216	1,780,696	47,461	47,917	52,033	54,969	12.1	9.6	12.6	14.7				
Farm	7,176	7,896	165	163	106	119	8.5	1.6	16.6	6.7				
Nonfarm	1,606,040	1,772,757	47,296	47,814	51,927	54,850	12.1	9.7	12.5	14.7				
Michigan	14,948	16,813	198	186	264	285	26.5	26.5	33.6	33.9	42.8			
Construction	95,948	66,858	2,059	2,996	2,992	2,625	13.1	25.9	28.1	25.3				
Manufacturing	276,112	312,970	20,714	20,837	22,758	24,592	12.1	7.5	13.3	13.8				
Durable goods	176,216	203,053	17,426	17,566	18,695	19,699	13.7	7.3	15.2	18.6				
Non-durable goods	95,896	109,917	3,285	3,271	3,563	3,532	9.4	8.5	10.0	16.7				
Private service-type	405,764	515,348	17,015	17,196	18,931	19,444	12.8	11.3	15.1	13.1				
Transportation, communication, and public utilities	76,584	85,264	2,585	2,570	2,893	2,959	30.4	11.5	11.3	18.1				
Wholesale and retail trade	170,888	195,035	6,681	6,781	7,501	7,659	13.6	12.3	14.1	13.4				
Finance, insurance, and real estate	54,452	60,653	1,682	1,681	1,862	1,854	14.1	10.7	13.2	12.7				
Services	153,840	173,386	6,068	6,154	6,884	6,901	12.6	10.2	12.7	12.0				
Government	201,252	215,083	7,299	7,385	7,797	7,847	7.4	6.8	6.9	6.3				
Federal	66,176	73,003	1,882	1,894	1,330	1,159	7.3	6.5	7.1	5.9				
State and local	135,076	142,080	5,417	5,491	6,467	6,688	18.5	9.9	6.8	6.3				
Other	5,216	3,686	72	75	85	85	18.7	18.6	14.6	14.0				

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Michigan Through Fourth Quarter, 1978¹

	United States						Michigan		U.S.	State	U.S.	State
	1977:IV			1978:IV			1978:III		1978:IV		1977:III— 1978:III	1977:IV— 1978:IV
	Index, 1967 = 100, not seasonally adjusted						Percent change					
U.S. city average ²	185.3	201.6	—	—	—	—	7.9	—	8.9	—	—	
Detroit	—	—	192.6	204.0	196.4	201.4	—	7.6	—	—	9.5	

1. Consumer Price indexes are shown for the most relevant SMSAs for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and rounded data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, the civilian labor force increased 1.5 percent, only about one-half of the Nation's rate of gain (table 4). Total employment increased 2.4 percent, 1.5 percentage points less than in the Nation, to 4.0 million. Michigan's increases were among the smallest in the Nation.

With the labor force increasing by about 63,000 and total employment increasing by about 92,000, unemployment declined by between 29,000 and 30,000, to 265,000. In 1978:IV, the unemployment rate in Michigan was 6.3 percent versus 5.5 percent in the Nation. Only nine States—none of them in the Great Lakes region—had higher unemployment rates. From 1977:IV to 1978:IV, the unemployment rate declined 0.8 percentage point in the State, about the same as nationally.

In December 1978, the preliminary unemployment rate in Michigan was 6.7 percent, down 0.3 percentage point since December 1977. December 1978 rates in major metropolitan areas of the State ranged from 4.8 percent in Grand Rapids to 8.1 percent in Muskegon-North Shores-Muskegon Heights. In Detroit, which accounts for almost one-half of Michigan's civilian labor force, the preliminary unemployment rate in December 1978 was 6.3 percent. From December 1977 to December 1978, Ann Arbor was the only major metropolitan area in the State to register an increase in the unemployment rate—1.9 percentage points—to 7.0 percent. Rates in the remaining 10 major metropolitan areas in the State declined by as much as 1.4 percentage points, as in Bay City, where the December 1978 unemployment rate was 5.5 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Michigan

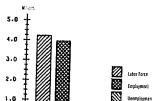


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

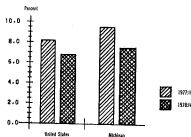


TABLE 4.—Labor Force, United States and Michigan Through Fourth Quarter, 1978

	United States			Michigan			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:II—1978:II	1977:IV—1978:IV	1977:II—1978:II	1977:IV—1978:IV
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Civilian labor force³	84,210	87,708	3,615	3,510	3,526	3,619	4.3	3.2	4.2	3.1
Construction	787	890	11	11	14	13	8.2	21.1	14.2	17.5
Manufacturing	4,832	4,488	141	137	104	157	10.4	16.8	11.3	14.9
Transportation, communication, and public utilities	18,386	20,722	1,037	1,139	1,119	1,172	3.1	2.6	3.7	2.9
Wholesale and retail trade	4,761	4,971	149	149	152	153	3.0	1.9	4.5	.8
Finance, insurance, and real estate	13,152	13,815	703	720	706	726	5.3	2.3	4.4	2.7
Services	35,539	36,255	516	141	147	146	4.8	3.7	4.4	3.6
Government	15,434	15,884	519	632	610	638	2.1	2.6	1.4	.9
Total employed	85,591	86,610	4,144	4,385	4,202	4,228	3.2	3.4	3.3	1.5
Total unemployed	8,619	8,098	251	259	259	255	-4.1	-3.0	-3.9	-2.4
Percent unemployed	6.2	5.5	8.5	7.1	7.0	6.3	-8.8	-8.8	-10.0	-10.0

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

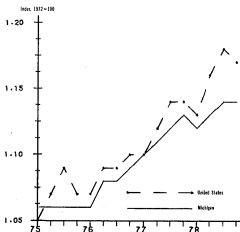


Chart 8.—Civilian Employment

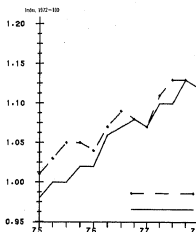


Chart 9.—Unemployment Rate

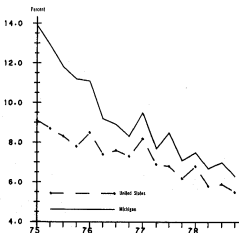
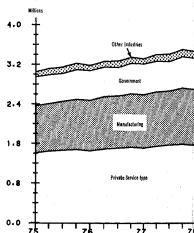


Chart 10.—Industrial Composition of Nonagricultural Employment



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Michigan Through Fourth Quarter, 1978

	United States			Michigan			U.S.	State	U.S.	State
	1973:IV	1978:IV	1977:III	1973:IV	1978:IV	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Billions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	618,562	n.a.	22,806	22,987	26,021	n.a.	16.3	14.1	---	---
Commercial and industrial	166,317	n.a.	5,541	5,684	6,128	n.a.	14.2	10.6	---	---
to individuals	146,399	n.a.	5,247	5,438	6,284	n.a.	23.2	19.0	---	---
Real estate	177,335	n.a.	9,981	9,571	11,840	n.a.	19.9	14.0	---	---
Residential	161,236	n.a.	4,921	7,192	7,917	n.a.	21.3	14.4	---	---
Auto	7,731	n.a.	187	190	219	n.a.	10.7	12.0	---	---
Other	68,968	n.a.	2,581	2,620	2,513	n.a.	19.0	12.9	---	---
Gov., excluding real estate	25,704	n.a.	389	378	411	n.a.	6.8	3.3	---	---
Gov., excluding real estate	63,947	n.a.	1,531	2,147	2,189	n.a.	8.0	13.4	---	---
Total deposits	925,911	n.a.	34,680	36,094	36,169	n.a.	11.5	10.1	---	---
Demand	377,683	n.a.	16,143	11,109	11,177	n.a.	10.2	10.2	---	---
Time and savings	548,228	n.a.	24,495	24,984	26,931	n.a.	12.3	10.1	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 9.7 percent in the State versus 16.8 percent in the Nation (table 6). In 1978:IV, contracts in the State totaled \$1.7 billion, for a gain over the year of \$151 million.

National construction costs increased about 13 percent; if this increase is representative of cost changes in Michigan, the real valuation of construction contracts declined about 3 percent versus a national gain of about 4 percent.

The valuation of nonresidential contracts declined 7.1 percent in the State, in sharp contrast with a gain of 15.8 percent in the Nation.

Contracts for residential housekeeping additions and alterations increased 8.2 percent in valuation, 6.4 percentage points less than

nationally. The valuation of residential housekeeping contracts increased 14.5 percent in the State, 1.1 percentage points less nationally. The number of dwelling units started increased 14.3 percent; only nine States registered larger gains. In 1978:IV, 17,352 dwelling units were started in Michigan, for a gain over the year of 2,167. Nationally, the number of dwelling units started was almost unchanged at a high level.

The valuation of nonbuilding contracts increased 46.1 percent in Michigan versus 22.2 percent in the Nation. Only 12 States had gains. These large gains were registered despite declines in the value of street and highway contracts of 36.7 percent in the State and 10 percent in the Nation.

Chart 14.—Construction Contracts—Total Valuation

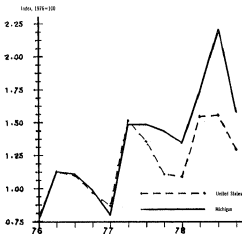


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Michigan

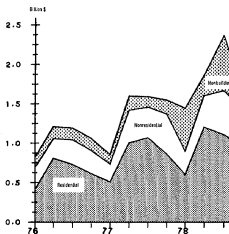


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

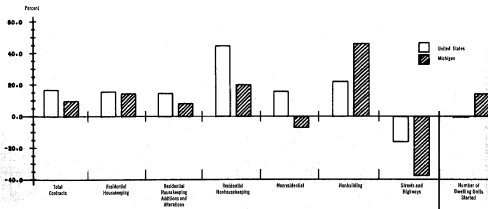


TABLE 6.—Construction Contracts, United States and Michigan Through Fourth Quarter, 1978¹

	United States			Michigan			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:II— 1978:II	1977:IV— 1978:IV	1977:II— 1978:II	1977:IV— 1978:IV
	Not seasonally adjusted						Percent change ²			
Total value of contracts	38,913,131	45,459,773	1,594,587	1,548,321	2,388,549	1,607,641	14.5	48.5	16.8	9.7
Residential housing, additions and alterations:										
Value (thousands of dollars)	7,707,987	8,832,353	425,607	393,242	424,163	349,729	16.8	-3	14.6	8.2
All other contracts										
Number of contracts	62,789	56,928	2,747	2,787	3,649	2,257	4.4	11.0	-9.3	-18.9
Value (thousands of dollars)	31,283,124	36,627,420	1,168,980	1,223,670	1,944,377	1,347,852	14.0	65.3	17.4	10.3
Floor area (thousands of square feet)	681,453	671,596	35,668	34,690	38,524	34,725	10.8	8.0	10.2	.1
Residential housing:										
Number of contracts	14,825	14,192	280	453	312	463	-5.1	-4.4	-4.3	-2.2
Value (thousands of dollars)	145,772	143,875	18,317	15,185	17,325	17,352	1.0	-5.4	-8	14.3
Floor area (thousands of square feet)	14,678,554	13,108,918	637,667	536,652	671,861	607,173	15.3	5.4	15.6	14.5
Floor area (thousands of square feet)	578,753	541,766	27,941	19,970	22,899	21,518	10.3	8	10.7	11.8
Residential nonhousing:										
Number of contracts	507	505	17	14	18	15	-10.0	-5.9	-4	7.3
Value (thousands of dollars)	338,817	490,278	8,389	9,503	13,264	11,520	9.4	61.6	44.8	20.1
Floor area (thousands of square feet)	8,462	10,540	246	312	419	294	-7	70.2	24.7	-5.5
Nonresidential:										
Number of contracts	30,754	22,665	1,456	1,558	1,586	1,369	-2.5	3.4	-12.0	-12.0
Value (thousands of dollars)	9,334,415	10,819,789	389,853	547,570	961,540	471,336	17.6	44.3	15.8	-7.1
Floor area (thousands of square feet)	253,253	309,240	12,521	15,307	19,598	13,115	21.2	21.4	8.9	-14.3
Manufacturing:										
Number of contracts	65,781	15,176	885	754	1,155	440	22.4	30.5	-9.1	-43.2
Value (thousands of dollars)	6,652,476	8,127,654	133,999	176,453	697,772	257,833	-1	420.7	22.2	46.1
Streets and highways:										
Number of contracts	4,908	4,699	313	160	423	195	9.3	36.1	-17.8	-37.5
Value (thousands of dollars)	2,308,661	1,891,341	43,202	58,727	85,127	36,564	3.0	73.0	-16.3	-27.6

1. Contracts started or expected to start within 60 days.

2. Percent change for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Data for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Michigan totaled \$10.0 billion in 1978:IV, up 14.6 percent increase (table 7). In 1978:IV, nondurable goods accounted for almost \$1.3 billion since 1977:IV, compared with an 11.2-percent national \$6.4 billion, and durable goods accounted for almost \$3.7 billion.

TABLE 7.—Retail Sales, United States and Michigan Through Fourth Quarter, 1978

	United States			Michigan			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:II— 1978:II	1977:IV— 1978:IV	1977:II— 1978:II	1977:IV— 1978:IV
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	337,338	216,808	7,457	8,747	8,923	16,078	18.3	18.7	11.2	14.6
Durable goods	62,985	71,513	n.a.	n.a.	3,348	3,656	11.8	—	15.3	—
Nondurable goods	134,165	147,447	n.a.	n.a.	5,575	4,372	9.5	—	9.2	—

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

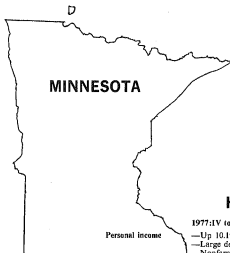
TABLE 8.—Business Incorporations and Failures, United States and Michigan Through Fourth Quarter, 1978

	United States			Michigan			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:II— 1978:II	1977:IV— 1978:IV	1977:II— 1978:II	1977:IV— 1978:IV
	Not seasonally adjusted						Percent change			
New business incorporations	189,411	n.a.	3,466	3,469	3,645	n.a.	8.2	5.3	—	—
Total number of business failures	1,684	n.a.	112	95	37	n.a.	-9.5	-57.9	—	—
Current liabilities (thousands of dollars)	484,296	n.a.	25,978	12,303	8,758	n.a.	-44.2	-70.8	—	—
Current liability per failure (thousands of dollars)	288	n.a.	266	130	237	n.a.	-38.4	-11.8	—	—
Business failures by industry										
Mining and manufacturing	248	n.a.	15	5	2	n.a.	-16.1	-87.5	—	—
Construction	319	n.a.	37	21	11	n.a.	1.0	-35.3	—	—
Wholesale trade	191	n.a.	16	11	3	n.a.	-27.1	-82.2	—	—
Retail trade	583	n.a.	48	40	15	n.a.	-4.2	-64.7	—	—
Commercial services	233	n.a.	15	5	7	n.a.	-34.0	-53.7	—	—

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income	—Up 10.1%, 2.5 percentage points less than in U.S. —Large decline in farm income —Nonfarm income up 13.7%, 1.4 percentage points more than U.S.
Consumer prices	—Up 11.1% in Minneapolis-St. Paul vs. 8.9% in U.S.
Employment	—Up 5.1% vs. 3.9% in U.S., to almost 2.0 million
Unemployment	—Down 17,000, to 68,000 —Rate down to 3.4% of labor force vs. 5.5% U.S. rate
Construction	—Total valuation of contracts up 9.0% vs. 16.8% in U.S., to \$91 million —Weakness in all major construction categories in State —Number of dwelling-unit starts down 5.5% vs. little change in U.S. to 9,212
Retail sales	—Up 8.6% vs. 11.2% in U.S., to \$4.1 billion

Chart 3.—Total Personal Income
[Seasonally adjusted]

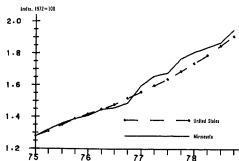


Chart 4.—Industrial Composition of Wages and Salaries: Mine
[Seasonally adjusted]

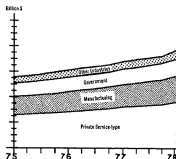


TABLE 2.—Personal Income, United States and Minnesota Through Fourth Quarter, 1978

	United States			Minnesota			U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1978:III— 1978:IV
	Billions of dollars, seasonally adjusted at annual rates ¹						Percent	
Total personal income.....	1,583,548	1,782,549	24,361	29,859	31,497	32,872	12.4	19.1
Form personal income.....	30,224	38,451	1,553	2,434	1,364	1,702	47.9	-12.7
Nonfarm personal income.....	1,082,284	1,243,088	26,799	27,416	30,132	31,170	11.5	12.4
Total personal income.....	1,583,548	1,782,549	24,361	29,859	31,497	32,872	12.4	19.1
Wage and salary disbursements.....	1,013,216	1,348,696	17,744	18,130	20,088	20,834	12.3	13.2
Other labor income.....	96,805	111,719	1,710	1,769	2,038	2,115	12.0	10.2
Proprietors' income.....	166,553	125,935	2,826	3,713	2,884	3,194	21.5	-9.9
Farm.....	23,535	31,844	1,390	2,259	1,177	1,585	68.6	-15.3
Nonfarm.....	62,317	94,051	1,426	1,454	1,692	1,889	12.9	13.8
Dividends, interest, and rent.....	214,430	242,442	3,988	3,668	4,353	4,475	12.3	11.7
Transfer payments.....	215,944	233,750	3,424	3,506	3,662	3,737	8.8	6.9
State unemployment insurance benefits.....	11,128	7,753	177	197	86	105	-24.8	-51.3
Less: personal contributions.....	62,232	71,840	1,214	1,229	1,402	1,449	14.8	16.3
Plus: residence adjustment.....	-461	-473	-28	-26	-32	-34	—	—
Wage and salary disbursements.....	1,013,216	1,348,696	17,744	18,130	20,088	20,834	12.3	13.2
Farm.....	7,776	7,939	167	169	181	190	8.5	8.2
Nonfarm.....	1,005,042	1,332,757	17,578	17,961	19,907	20,644	12.3	13.2
Mining.....	14,048	18,813	182	114	338	352	26.5	46.9
Construction.....	55,548	66,958	1,948	1,056	1,310	1,268	19.1	-25.0
Manufacturing.....	276,132	327,270	4,717	4,908	5,416	5,608	12.1	14.8
Durable goods.....	176,226	208,053	2,740	2,968	3,260	3,338	13.7	16.8
Non-durable goods.....	93,896	109,917	1,927	2,000	2,156	2,270	9.4	11.9
Private service-type.....	455,764	515,348	8,462	8,619	9,478	9,842	12.8	12.0
Transportation, communication, and public utilities.....	76,584	85,264	1,422	1,479	1,520	1,620	16.4	7.5
Wholesale and retail trade.....	170,888	195,035	3,451	3,494	3,362	4,114	12.8	16.8
Finance, insurance, and real estate.....	34,452	41,653	954	874	1,086	1,112	14.1	13.8
Services.....	151,840	172,396	2,654	2,669	2,951	2,996	12.6	10.1
Government.....	260,252	215,083	5,121	3,215	3,307	3,417	7.4	6.0
Federal.....	181,76	177,013	378	565	590	616	7.3	9.7
State and local.....	133,626	141,080	2,583	2,650	2,717	2,801	7.5	8.2
Other.....	3,216	3,685	49	50	58	58	18.7	20.1

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Division.

TABLE 3.—Consumer Price Index, United States and Minnesota Through Fourth Quarter, 1978¹

	United States			Minnesota			U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1978:III— 1978:IV
	Index, 1967=100, not seasonally adjusted						Percent	
U.S. city average ²	185.3	201.8	—	—	—	—	7.9	—
Minneapolis—St. Paul.....	—	—	186.5	187.0	203.5	207.7	—	16.3

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
 2. Average for 85 representative urban areas based on the 1979 Census of Population.
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and revised subsequent quarters. Users are advised to exercise caution when making comparisons.

Labor Force

In 1977:IV to 1978:IV, labor market conditions in Minnesota were strong. The civilian labor force increased 4.0 percent, nearly 1 percentage point more than in the Nation (table 4). Among all States, Minnesota's increase ranked 17th. Total employment increased 5.1 percent in the State, 1.2 percentage points more than in the Nation, to almost 2.0 million. Minnesota's increase, along with the increase in Kansas, was the largest in the Plains region.

Total employment increasing 94,000 and the labor force increasing 40,000, unemployment declined 17,000, to 68,000. In 1978:IV, Minnesota's unemployment rate was 3.4 percent versus 5.5 percent in the Nation. Only five States—four of them located in the Plains region—

had unemployment rates lower than Minnesota's. The State's unemployment rate declined 1.0 percentage point from year to year versus a decline in the Nation of 0.7 percentage point.

In December 1978, the preliminary unemployment rate in the State was 3.9 percent, down 1.1 percentage points since December 1977. The December 1978 rate in Minneapolis-St. Paul, which accounts for one-half of the State's labor force, was 2.9 percent, down 0.8 percentage point from the year before. In Duluth-Superior, the December 1978 rate was 5.0 percent, down 4.3 percentage points from the year before, when a mining strike was in effect.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV
Minnesota

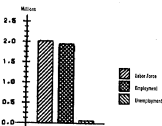


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

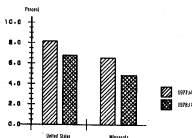


TABLE 4.—Labor Force, United States and Minnesota Through Fourth Quarter, 1978

	United States						Minnesota		U.S.		State		U.S.		State	
	1977:IV			1978:IV			1978:II		1978:IV		1978:IV—1978:II		1977:IV—1978:IV		1977:IV—1978:IV	
	Thousands of persons, not seasonally adjusted ¹												Percent change ²		Percent change ²	
Employees on nonagricultural payrolls	84,210	87,700	1,810	1,842	1,281	1,721	4.3	5.3	4.2	5.5						
Manufacturing	787	890	93	8	19	18	8.2	34.8	14.2	127.5						
Construction	4,932	4,488	82	77	92	87	10.4	12.2	11.3	12.3						
Transportation, communication, and public utilities	19,916	20,772	351	344	371	367	3.1	5.8	3.7	6.4						
Wholesale and retail trade	4,760	4,871	94	95	93	99	3.8	-5	4.4	3.8						
Finance, insurance, and real estate	10,182	20,011	410	421	89	418	5.3	4.8	4.5	4.1						
Government	4,882	4,788	84	85	89	86	4.8	6.0	-2.0	5.4						
Unpaid family workers	15,539	16,211	315	320	335	319	4.8	5.9	4.4	5.8						
Total labor force ³	15,424	15,496	271	282	275	288	2.3	1.8	1.4	1.0						
Unemployed	94,591	101,825	1,888	1,944	2,009	2,020	3.2	3.8	3.1	4.0						
Unemployed on nonagricultural payrolls	92,442	96,610	1,871	1,899	1,961	1,963	4.1	4.8	3.9	5.1						
Unemployed in agriculture	6,148	5,605	87	85	88	88	-9.8	-21.7	-6.8	-20.7						
Unemployed in manufacturing	6.2	5.5	6.4	4.4	3.4	2.4										

1. May not add to totals because of rounding.
2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This may result in some differences from previous estimates. Users are advised to exercise caution when making comparisons over time.
U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

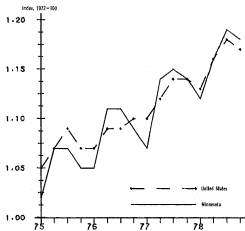


Chart 8.—Civilian Employment

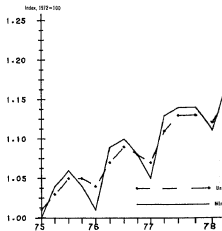


Chart 9.—Unemployment Rate

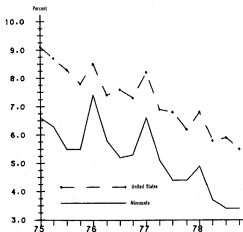


Chart 10.—Industrial Composition of Nonagricultural Employment
Minnesota



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Nebraska Through Fourth Quarter, 1978

	United States			Nebraska			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:III	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	618,502	n.a.	4,958	4,933	6,371	n.a.	18.3	8.3	...	...
Commercial and industrial	196,317	n.a.	1,076	1,006	1,175	n.a.	14.2	9.2	...	...
Loans to individuals	148,955	n.a.	1,082	1,116	1,222	n.a.	33.2	13.0	...	...
Real estate	177,935	n.a.	627	646	705	n.a.	19.9	12.4	...	...
Residential	161,235	n.a.	360	365	310	n.a.	21.3	15.2	...	...
Farms	7,731	n.a.	56	55	39	n.a.	10.7	3.7	...	...
Other	46,988	n.a.	271	281	295	n.a.	15.0	9.0	...	...
Farms, excluding real estate	26,704	n.a.	1,368	1,883	2,011	n.a.	6.8	2.2	...	...
Others	65,547	n.a.	266	202	258	n.a.	8.0	25.1	...	...
Total deposits	925,911	n.a.	6,847	7,396	7,672	n.a.	15.5	12.1	...	...
Demand	377,683	n.a.	2,022	2,351	2,839	n.a.	10.2	11.7	...	...
Time and savings	547,828	n.a.	4,325	4,644	4,854	n.a.	12.3	12.2	...	...

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts declined 4.4 percent (\$12.7 million), to \$278.3 million (table 6). Nebraska's decline was one of the largest in the Nation. Nationally, the total valuation of construction contracts increased 16.8 percent.

National construction costs increased about 13 percent during the same time span, and if this increase is representative of the increase throughout the State, the total valuation of contracts in Nebraska sustained a real decline of about 17 percent versus a real increase in the Nation of about 4 percent.

Nonresidential contracts declined 38.9 percent in valuation, compared with a 15.8-percent national increase. Nebraska's decline was one of the largest in the Nation.

Nonbuilding contracts declined 17.1 percent in valuation, compared with a national increase of 22.2 percent. The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 45.1 percent versus a 16.3-percent decline nationally.

Residential housekeeping contracts, in contrast, increased 26.5 percent in valuation versus 15.6 percent nationally. The number of dwelling units started increased 1.6 percent in the State, to 3,156 units. Nationally, the number of dwelling units started was almost unchanged at a high level. Residential housekeeping additions and alterations increased 1.5 percent in valuation, compared with a national increase of 14.6 percent.

Chart 14.—Construction Contracts—Total Valuation

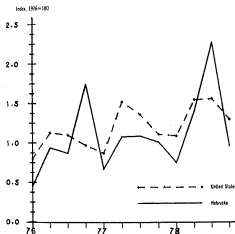


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Nebraska

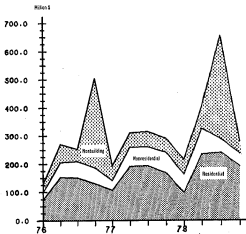


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

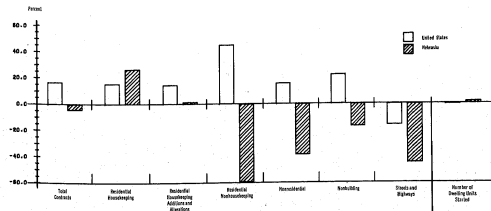


TABLE 6.—Construction Contracts, United States and Nebraska Through Fourth Quarter, 1978¹

	United States			Nebraska			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Not seasonally adjusted						Percent change ²			
Total value of contracts	28,813,171	45,458,773	316,325	291,822	655,858	278,314	14.5	137.8	16.8	-4.4
Residential housekeeping, additions and alterations:										
Value (thousands of dollars)	7,701,967	8,832,353	73,715	67,433	83,043	68,431	16.8	12.7	14.4	1.5
All other contracts:										
Number of contracts	62,789	55,938	1,816	882	795	710	4.4	-21.4	-3.2	-19.5
Value (thousands of dollars)	31,285,134	36,627,420	242,610	223,389	573,815	209,883	14.0	136.4	17.4	-6.1
Floor area (thousands of square feet)	881,453	971,596	5,433	6,438	7,741	5,735	16.8	20.5	10.2	-10.5
Residential housekeeping:										
Number of contracts	14,825	14,192	316	321	324	325	-5.1	2.5	-4.5	1.6
Value (thousands of dollars)	445,712	443,005	3,590	3,187	4,329	3,156	1.0	17.5	-5.6	1.6
Floor area (thousands of square feet)	14,879,568	17,188,588	118,863	96,829	158,714	122,466	15.3	33.5	15.4	24.5
Nonresidential housekeeping:										
Number of contracts	507	505	4	5	4	5	-10.0	0	-4	0
Value (thousands of dollars)	338,637	408,279	1,251	3,811	216	1,541	9.4	-82.7	44.8	-99.6
Floor area (thousands of square feet)	8,467	10,568	43	31	1	7	-7	-97.2	24.7	-92.0
Nonresidential:										
Number of contracts	30,758	22,855	315	381	190	173	-2.5	-48.4	-12.0	-38.4
Value (thousands of dollars)	9,334,415	10,816,759	47,088	73,523	47,537	44,913	27.6	-30.1	19.8	-38.9
Floor area (thousands of square feet)	293,253	315,240	1,884	2,813	1,843	1,194	22.2	-2.2	8.9	-54.3
Nonbuilding:										
Number of contracts	15,701	15,178	377	235	281	256	22.4	-25.5	-9.1	-25.1
Value (thousands of dollars)	6,652,474	8,127,854	54,488	49,438	367,349	46,963	-1	573.8	22.2	-17.1
Streets and highways:										
Number of contracts	4,986	4,099	165	95	121	98	6.3	-26.7	-17.9	-31.3
Value (thousands of dollars)	2,308,481	1,931,343	29,703	25,427	19,848	13,966	3.6	-33.2	-16.3	-45.1

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Sources: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Data for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Nebraska are not available.

TABLE 7.—Retail Sales, United States and Nebraska Through Fourth Quarter, 1978

	United States			Nebraska			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales:										
Durable goods:	157,630	213,626	n.a.	n.a.	n.a.	n.a.	10.3	—	31.2	—
Non-durable goods:	62,865	71,573	n.a.	n.a.	n.a.	n.a.	11.8	—	15.3	—
Total:	134,965	147,447	n.a.	n.a.	n.a.	n.a.	9.8	—	9.2	—

n.a.: Data not available.

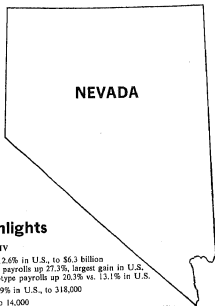
Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Nebraska Through Fourth Quarter, 1978

	United States			Nebraska			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Not seasonally adjusted						Percent change			
New business incorporations:										
Total number of business failures	169,411	n.a.	829	687	666	n.a.	8.2	6.5	—	—
Value (thousands of dollars)	1,684	n.a.	9	16	4	n.a.	-4.5	-55.6	—	—
Current liabilities (thousands of dollars)	484,296	n.a.	2,005	2,101	1,580	n.a.	-41.2	-22.4	—	—
Average liability per failure (thousands of dollars)	285	n.a.	224	219	393	n.a.	-38.4	76.1	—	—
Business failures by industry:										
Mining and manufacturing	248	n.a.	2	2	1	n.a.	-18.1	-50.0	—	—
Construction	319	n.a.	7	2	1	n.a.	1.0	-66.7	—	—
Wholesale trade	191	n.a.	0	2	0	n.a.	-27.1	—	—	—
Retail trade	688	n.a.	2	3	2	n.a.	-4.2	.0	—	—
Commercial services	238	n.a.	2	1	0	n.a.	-24.0	—	—	—

n.a.: Data not available.
Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income

- Up 18.4% vs. 12.6% in U.S., to \$6.3 billion
- Manufacturing payrolls up 27.3%, largest gain in U.S.
- Private service-type payrolls up 20.3% vs. 13.1% in U.S.

Employment

- Up 2.4% vs. 3.9% in U.S., to 318,000

Unemployment

- Down 8,000, to 14,000
- Rate down 2.3 percentage points, to 4.3% of labor force vs. 5.5% in U.S.

Construction

- Total valuation of contracts up 27.9% vs. 16.8% in U.S., to \$321 million
- Number of dwelling-unit starts up 12.3% vs. near stability in U.S., to 4,238

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Nevada increased 18.4 percent from 1977:IV to 1978:IV, leading the Nation's gain by almost 6 percentage points and ranking fourth among all State gains (table 2). In 1978:IV, Nevada's personal income totaled \$6.3 billion, up \$1.0 billion since 1977:IV.

Since the last national business cycle peak in 1973:IV, Nevada's economy has grown at one of the fastest rates in the Nation; the increase in the State's nonfarm income was 39 percent more than nationally, ranking Nevada third among all States.

Wage and salary disbursements (payrolls) in Nevada increased 20.1 percent from 1977:IV to 1978:IV, far exceeding the Nation's 12.6-percent gain and ranking second (after Wyoming's) among all State

gains. Payrolls in private service-type industries increased 20.3 percent versus 13.1 percent nationally, to \$3.0 billion. Payroll increases in all private service-type industries were among the largest increases in the Nation. Trade payrolls increased 24.7 percent, 10 percentage points above the Nation's average increase. Services payrolls increased 19.1 percent versus 12.7 percent nationally, and transportation-communication-public utilities payrolls increased 18.8 percent versus 11.3 percent nationally.

Payrolls in construction increased 38.6 percent, more than in any other major industry in the State, to \$535 million; the State's construction increase far outpaced the Nation's 20.1-percent increase and ranked second (after Arizona's) among all States. Manufacturing payrolls increased 27.3 percent, which led all other State gains in the Nation and was twice the national average gain.

State and local government payrolls in Nevada increased 10.2 percent, to \$518 million; nationally, the gain was 6.8 percent. Federal Government payrolls increased 7.7 percent, marginally above the Nation's gain of 7.1 percent, to \$297 million.

State unemployment insurance benefits declined 27.9 percent from year to year, to \$31 million. Nationally, they declined 30.3 percent.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
(Seasonally adjusted)

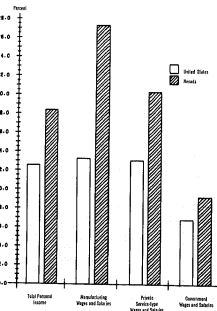


Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

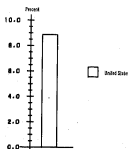


Chart 3.—Total Personal Income
[Seasonally adjusted]

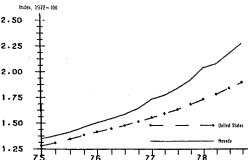


Chart 4.—Industrial Composition of Wages and Salaries: Nevada
[Seasonally adjusted]

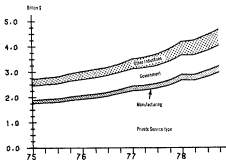


TABLE 2.—Personal Income, United States and Nevada Through Fourth Quarter, 1978

	United States				Nevada				U.S.		State		
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:IV	1978:IV	1977:IV— 1978:II	1978:II	1977:IV— 1978:IV	1978:IV	1978:IV
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²						
Total personal income	1,583,949	1,782,519	5,111	5,347	6,965	6,333	12.4	14.5	12.6	18.4			
Farm personal income	31,324	35,451	32	48	53	68	47.8	68.2	26.3	65.2			
Nonfarm personal income	1,552,284	1,747,068	5,079	5,298	6,861	6,265	11.9	18.2	12.3	18.1			
Total personal income	1,583,949	1,782,519	5,111	5,347	6,965	6,333	12.4	14.5	12.6	18.4			
Wage and salary disbursements	1,073,216	1,144,696	3,743	3,946	4,515	4,737	12.1	12.1	12.6	12.6			
Other labor income	56,416	111,719	219	233	274	287	17.0	25.3	16.4	23.6			
Proprietors' income	108,953	128,395	215	248	285	311	21.5	26.2	18.9	29.6			
Farm	73,636	33,444	218	224	258	270	12.8	18.4	15.3	21.0			
Nonfarm	42,317	94,951	634	451	720	743	12.3	13.5	12.8	14.1			
Dividends, interest, and rent	214,582	242,402	599	604	647	658	8.8	8.1	8.2	8.9			
Transfer payments	11,128	7,753	48	43	32	31	-24.0	-52.9	-36.3	-27.9			
State unemployment insurance benefits	62,212	71,611	267	217	258	269	14.8	14.7	15.1	23.7			
Less: residence adjustment	-401	-473	-163	-169	-128	-135							
Wage and salary disbursements	1,073,216	1,144,696	3,743	3,946	4,515	4,737	12.1	12.1	12.6	12.6			
Farm	73,636	33,444	218	224	258	270	12.8	18.4	15.3	21.0			
Nonfarm	42,317	94,951	634	451	720	743	12.3	13.5	12.8	14.1			
Manufacturing	14,048	16,813	65	65	69	70	26.5	4.3	33.9	6.9			
Construction	55,648	66,858	332	384	526	525	18.1	49.5	20.1	38.6			
Manufacturing	276,112	302,570	124	137	171	185	12.7	13.6	15.2	15.2			
Durable goods	174,216	203,063	128	137	171	185	12.7	13.6	15.2	15.2			
Non-durable goods	99,896	169,507	65	68	75	76	3.4	14.2	10.9	11.2			
Private service-type	455,764	515,348	2,382	2,516	2,850	3,019	12.8	15.7	13.3	18.3			
Transportation, communication, and public utilities	76,584	85,264	298	305	346	363	13.1	12.8	14.3	26.7			
Wholesale and retail trade	170,888	195,625	126	136	161	171	13.3	23.4	14.3	26.7			
Finance, insurance, and real estate	54,452	61,853	130	136	161	171	13.3	23.4	14.3	26.7			
Services	353,948	415,396	1,382	1,468	1,645	1,748	12.6	18.2	12.7	19.1			
Government	281,252	315,083	718	744	788	815	7.4	9.8	6.9	9.3			
Federal	68,176	73,003	261	276	287	297	7.3	9.9	7.1	7.7			
State and local	133,676	142,080	457	470	501	518	15.8	9.7	6.8	10.2			
Other	3,216	3,995	9	10	11	11	16.7	23.3	14.6	16.3			

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Nevada Through Fourth Quarter, 1978¹

	United States				Nevada				U.S.		State		
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:IV	1978:IV	1977:IV— 1978:II	1978:II	1977:IV— 1978:IV	1978:IV	1978:IV
	Index, 1967=100, not seasonally adjusted						Percent change						
U.S. city average ²	185.3	200.6	---	---	---	---	7.5	---	---	8.1	---	---	---

1. Consumer Price Indexes are shown for the most relevant SMSAs for which data are available.
 2. Average for 85 representative urban areas based on the 1970 Census of Population.
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

STATE QUARTERLY ECONOMIC DEVELOPMENTS

Labor Force

From 1977:IV to 1978:IV, Nevada's civilian labor force increased 1.0 percent, one-third of the national advance. Nevada's advance was one of the smallest registered among all States (table 4). Total employment increased from 308,000 to 319,000, a 3.4-percent advance that lagged the Nation's advance by 0.5 percentage point.

With employment increasing by 11,000 and the labor force increasing by only 3,000, the number of unemployed declined by 8,000. The unemployment rate declined 2.3 percentage points, to 4.3 percent of the labor force. While in 1977:IV, Nevada's unemployment rate was above

the Nation's rate, in 1978:IV, Nevada's rate was 1.2 percentage points less than the Nation's 5.5-percent rate.

Across the State, unemployment rates varied somewhat. According to preliminary data for December 1978, unemployment rates in the two major metropolitan areas of Las Vegas and Reno, at 4.5 and 3.5 percent, respectively, were lower than the preliminary State rate of 4.6 percent. Nonmetropolitan Nevada registered a 7.0-percent unemployment rate.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV, Nevada

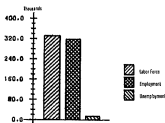


Chart 6.—Unemployment Rates, 1977:IV to 1978:IV

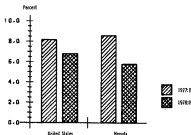


TABLE 4.—Labor Force, United States and Nevada Through Fourth Quarter, 1978

	United States			Nevada			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:II-1978:II		1977:IV-1978:IV	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls.....	84,293	87,708	317	308	351	352	4.3	19.8	4.2	18.4
Mining.....	287	889	4	4	3	3	8.2	-17.1	14.2	-23.3
Construction.....	4,532	4,888	35	21	25	29	10.4	22.1	11.3	17.9
Manufacturing.....	35,885	36,772	15	16	17	38	3.1	11.1	3.7	12.8
Transportation, communication, and public utilities.....	4,791	4,977	19	19	70	21	3.8	7.9	4.4	10.5
Wholesale and retail trade.....	18,152	20,315	63	64	70	71	5.3	10.5	4.5	11.4
Finance, insurance, and real estate.....	4,852	4,754	13	13	14	15	4.8	9.2	-2.0	10.5
Services.....	15,539	16,211	133	131	150	146	4.6	12.3	4.4	11.9
Government.....	15,434	15,656	40	51	51	54	2.1	5.1	1.4	4.7
Civilian labor force ³	88,581	101,615	329	328	342	333	3.2	8.2	3.1	1.0
Total employed.....	82,442	96,019	308	308	378	318	4.1	6.9	3.9	3.4
Total unemployed.....	6,140	5,595	21	22	13	14	-9.8	-36.5	-8.8	-33.8
Unemployment rate.....	6.2	5.5	6.3	6.6	3.8	4.3				

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This makes a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

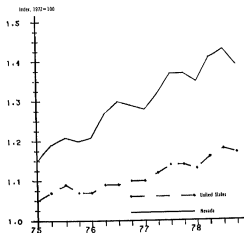


Chart 8.—Civilian Employment

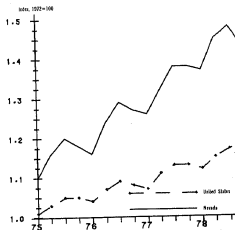


Chart 9.—Unemployment Rate

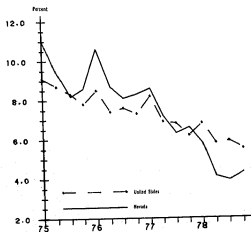
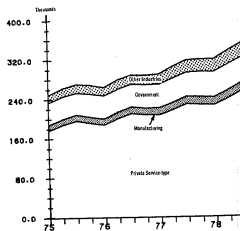


Chart 10.—Industrial Composition of Nonagricultural Employment: Nevada



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Nevada Through Fourth Quarter, 1978

	United States			Nevada			U.S.	State	U.S.	State
	1977:IV	1978:II	1978:III	1977:IV	1978:II	1978:III	1977:III- 1978:III		1977:IV- 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	610,592	n.a.	1,445	1,524	1,272	n.a.	96.3	27.8	---	---
Commercial and industrial	196,317	n.a.	380	399	449	n.a.	14.2	17.7	---	---
Loans to individuals	140,599	n.a.	382	400	500	n.a.	20.2	31.0	---	---
Real estate	177,835	n.a.	546	681	876	n.a.	19.9	35.5	---	---
Residential	161,296	n.a.	264	293	377	n.a.	21.3	42.9	---	---
Farms	7,731	n.a.	2	2	2	n.a.	10.7	-39.8	---	---
Other	68,968	n.a.	320	386	497	n.a.	19.0	39.8	---	---
Farms, excluding real estate	25,704	n.a.	19	24	24	n.a.	5.8	23.7	---	---
Other	69,947	n.a.	36	21	23	n.a.	8.0	-35.4	---	---
Total deposits	925,911	n.a.	2,321	2,431	2,799	n.a.	11.5	29.1	---	---
Demand	377,683	n.a.	1,911	1,061	1,198	n.a.	10.2	13.5	---	---
Time and savings	547,828	n.a.	1,370	1,370	1,602	n.a.	12.3	21.3	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

The total valuation of contracts in Nevada rose 27.9 percent from 1977:IV to 1978:IV, exceeding the Nation's increase by 11.1 percentage points, to \$321 million (table 6). National construction costs rose almost 13 percent during the same timespan; if this rise reflects the advance throughout Nevada, the real valuation of contracts rose about 15 percent in the State versus about 4 percent in the Nation.

Continuing strong gains in the Clark County (Las Vegas) residential housekeeping market were mainly responsible for the State's large year-to-year gain in the total valuation of contracts. Statewide, the valuation of residential housekeeping contracts increased \$47 million, the largest increase among all construction categories in Nevada. This represented a 36.6-percent gain, well above the 15.6-percent national average gain and one of the largest gains among all States. One-family housing units in Clark County accounted for almost 60 percent of the valuation of all residential housekeeping contracts in Nevada in 1978:IV. The number of dwelling units started rose 12.3 percent (almost 500), to 4,200 units. In contrast, the number of dwelling units started in the Nation was virtually unchanged at a high level. The valuation of contracts for ad-

ditions and alterations to residential housekeeping units rose 34 percent, almost 20 percentage points more than nationally. The gain was larger only in Mississippi.

Reflecting a \$34 million contract for a water line in Clark County, the valuation of nonbuilding contracts increased 140.4 percent, to \$58 million in 1978:IV. Nevada's gain far outpaced the national average gain of 22.2 percent and ranked third in the Nation. Street and highway contracts rose 5.8 percent in valuation, comparing favorably with the national decline of 16.3 percent.

Nonresidential contracts rose 2.6 percent in valuation from year to year, far below the Nation's 15.8-percent gain.

The valuation of residential nonhousekeeping contracts fell to less than one-fourth of the level of 1977:IV. The decline was mainly due to a million contract in 1977:IV for the construction of a hotel in Las Vegas, which raised the State's total valuation of contracts to an unusually high level, thereby distorting the subsequent year-to-year change.

Chart 14.—Construction Contracts—Total Valuation

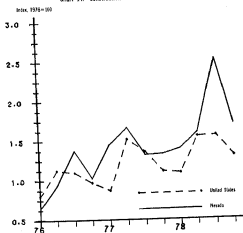


Chart 15.—Construction Contracts—Valuation of Contracts by Type, Nevada

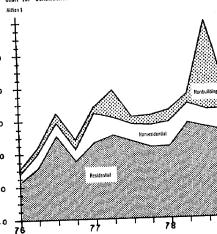


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

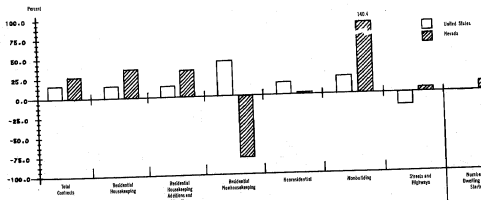


TABLE 6.—Construction Contracts, United States and Nevada Through Fourth Quarter, 1978¹

	United States			Nevada			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:IV	
	Not seasonally adjusted						Percent change ²			
Total value of contracts	36,913,131	45,459,773	247,946	250,832	407,138	320,782	14.5	42.4	16.8	27.9
Hotel housekeeping, additions and alterations:										
Value (thousands of dollars)	7,707,887	8,832,353	21,836	21,695	36,749	28,111	16.9	40.9	14.6	34.4
Other contracts:										
Number of contracts	62,728	56,928	168	215	238	215	4.4	26.2	-9.3	.0
Value (thousands of dollars)	31,245,134	36,627,420	238,136	224,177	446,388	291,671	14.0	97.4	17.4	27.3
Floor area (thousands of square feet)	481,453	671,595	8,032	7,118	7,529	7,872	10.8	-6.3	16.2	10.6
Hotel housekeeping:										
Number of contracts	14,825	14,182	86	90	68	73	-5.1	4.5	-4.3	21.7
Value (thousands of dollars)	445,272	443,475	4,846	3,773	4,376	4,238	1.0	8.2	-6	12.3
Floor area (thousands of square feet)	14,879,599	17,195,518	124,568	127,137	173,400	173,646	15.3	38.2	15.6	38.6
Hotel nonhousekeeping:										
Number of contracts	579,333	641,736	4,894	4,938	5,966	6,192	10.3	22.7	18.7	25.4
Value (thousands of dollars)	507	565	8	8	4	4	-10.0	.0	-4	-50.0
Floor area (thousands of square feet)	338,610	486,279	42,045	24,476	14,570	5,234	9.4	-65.3	44.1	-75.6
Hotel nonhousekeeping:										
Number of contracts	8,467	10,580	1,524	255	191	112	-7	-87.5	24.7	-56.1
Value (thousands of dollars)	31,756	37,655	82	108	111	106	-2.5	35.4	-12.8	-7.4
Floor area (thousands of square feet)	9,374,485	10,810,780	41,114	53,481	43,485	54,891	27.4	5.6	15.3	2.6
Hotel nonhousekeeping:										
Number of contracts	293,253	319,360	1,644	1,504	1,373	1,564	12.2	-16.5	8.9	-18.6
Value (thousands of dollars)	16,781	15,176	42	39	59	38	22.4	19.0	-9.1	-2.6
Floor area (thousands of square feet)	6,652,476	8,127,454	18,169	24,083	214,933	57,660	-1	20.1	22.2	140.4
Highways:										
Number of contracts	4,996	4,699	14	19	15	10	9.3	7.1	-17.8	-47.4
Value (thousands of dollars)	2,306,881	1,831,347	5,594	17,415	8,892	18,892	3.0	-6.2	-16.3	5.8

**Percent change greater than 999.9.

Contracts started or expected to start within 60 days.

Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Diluted for floor area data may not add in totals because of rounding.

Retail Sales

Retail sales data for Nevada are not available.

TABLE 7.—Retail Sales, United States and Nevada Through Fourth Quarter, 1978

	United States			Nevada			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:IV	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	597,030	219,028	n.a.	n.a.	n.a.	n.a.	18.3	---	11.2	---
Nonfood	82,065	71,573	n.a.	n.a.	n.a.	n.a.	11.8	---	15.3	---
Food	134,565	147,457	n.a.	n.a.	n.a.	n.a.	9.6	---	9.2	---

Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Nevada Through Fourth Quarter, 1978

	United States			Nevada			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:IV	
	Not seasonally adjusted						Percent change			
New business incorporations	281,413	n.a.	1,421	1,362	1,580	n.a.	8.2	5.4	---	---
Total number of business failures	1,644	n.a.	4	5	5	n.a.	-5.5	25.0	---	---
Liabilities (thousands of dollars)	484,256	n.a.	109	965	677	n.a.	-44.2	521.1	---	---
Liability per failure (thousands of dollars)	288	n.a.	27	193	135	n.a.	-28.4	469.9	---	---
Business failures by industry:										
and manufacturing:										
Textile	248	n.a.	0	0	1	n.a.	-10.1	---	---	---
Food	319	n.a.	1	1	1	n.a.	1.0	.0	---	---
Auto	191	n.a.	0	1	1	n.a.	-27.1	---	---	---
Chemical	688	n.a.	3	2	2	n.a.	-6.2	-33.3	---	---
Other	238	n.a.	0	1	0	n.a.	-24.0	---	---	---

a: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

NEW HAMPSHIRE

Highlights

1977:IV to 1978:IV

Personal income

- Up 12.9%, 0.3 percentage point more than in U.S.
- Strong increases in construction, private service-type industries, and State and local government
- Weak increases in manufacturing and Federal Government

Consumer prices

- Up 7.5% in Boston vs. 8.9% in U.S.

Employment

- Up 3.5% vs. 3.9% in U.S., to 414,000

Unemployment

- Down between 6,000 and 7,000, to 15,000
- Rate down to 3.5% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts up 23.5% vs. 16.8% in U.S., to \$189 million
- Large gain in valuation of nonbuilding contracts
- Number of dwelling-unit starts up 5.2% vs. little change in U.S., to 1,664

TABLE 1—Summary of Economic Indicators, United States and New Hampshire Through Fourth Quarter, 1978

	United States			New Hampshire			U.S.	State	U.S.
	1977:IV	1978:II	1978:III	1977:IV	1978:II	1978:IV	1977:III— 1978:III		1977:III— 1978:III
	All indicators, except income, not seasonally adjusted						Percent change		
Total personal income (trillions of dollars)	1,582,508	1,782,519	5,822	5,896	6,396	6,854	12.4	13.6	12.6
Total wages and salaries (trillions of dollars)	1,013,116	1,143,898	2,277	3,475	3,751	3,937	12.1	14.5	12.6
Civilian employment (thousands)	92,442	96,816	401	400	424	434	4.1	5.6	3.9
Unemployment (thousands)	6,145	5,895	25	22	19	15	-9.8	-23.4	-8.8
Percent unemployed (unemployment/labor force)	6.2	5.5	5.8	5.2	4.3	3.5	---	---	---
Total loans (millions of dollars)	916,582	n.a.	1,594	1,592	1,764	n.a.	16.3	14.3	---
Total deposits (millions of dollars)	925,511	n.a.	2,109	2,184	2,385	n.a.	11.5	12.1	---
Total valuation of construction contracts (thousands of dollars)	38,813,111	45,455,773	1,389,893	163,299	188,678	186,349	14.5	-16.3	16.9
Dwelling units started (number)	445,772	443,075	1,767	1,582	1,890	1,844	1.6	7.8	-8
Total retail sales (millions of dollars)	197,639	219,826	n.a.	n.a.	n.a.	n.a.	10.3	---	11.2
New business incorporations (number)	198,411	n.a.	354	343	371	n.a.	8.2	4.8	---
Business failures (number)	1,894	n.a.	8	8	8	n.a.	-9.5	-11.1	---
Consumer Price Index (1967=100):									
U.S. city average	185.3	201.8	---	---	---	---	7.9	---	8.5
State	---	---	185.0	185.3	184.2	195.2	---	5.0	---

n.a.: Data not available.

Source: See tables 2 through 8.

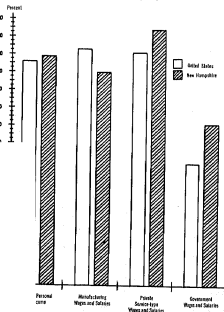
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 8.9 percent from 1977:IV to 1978:IV, 0.3 percentage point more than in the Nation (table 2). In 1978:IV, New Hampshire's total personal income was \$6.7 billion, up \$0.8 billion since 1977:IV. Farm income was down substantially in the State and up substantially in the Nation. Nonfarm income increased 0.7 percentage point more in New Hampshire than in the Nation. In most New England States, the increases in both total personal income and nonfarm income were fairly close to the national average.

Since the last national business cycle peak (1973:IV), New Hampshire's economic growth has been well above the national average; the increase in nonfarm income was 13 percent more than nationally, ranking New Hampshire 19th among all States. New Hampshire was the only State in the Northeast-Great Lakes manufacturing belt that grew at a well-above-average rate.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
(Seasonally adjusted)



Consumer prices in Boston, the metropolitan area closest to New Hampshire for which price data are available, increased 7.5 percent from 1977:IV to 1978:IV versus a national increase of 8.9 percent (table 3). If Boston's index is used as an indicator for price movements in the State, real total personal income in New Hampshire increased 5.4 percent versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 13.3 percent in New Hampshire versus 12.6 percent in the Nation. In 1978:IV, payrolls totaled \$3.9 billion, up \$0.5 billion since 1977:IV.

Private service-type payrolls increased 14.4 percent in New Hampshire and 13.1 percent in the Nation. Strength was particularly pronounced in trade—up 18.2 percent versus 14.1 percent in the Nation. Only nine States had increases in trade payrolls that were larger than New Hampshire's. Finance-insurance-real estate payrolls increased 16.0 percent versus 13.2 percent in the Nation. In contrast, the increase in services payrolls was substantially less in New Hampshire than in the Nation.

Payrolls in construction increased 24.9 percent in New Hampshire versus 20.1 percent in the Nation. The increase in State and local government payrolls was also larger in the State than in the Nation.

In contrast, the State's manufacturing payrolls lagged—up 12.0 percent versus 13.3 percent nationally. Increases in both durable goods and nondurable goods manufacturing payrolls in New Hampshire were substantially less than increases in respective industries in the Nation. The increase in Federal Government payrolls in the State was also well below the increase in the Nation.

State unemployment insurance benefits declined 25.5 percent in New Hampshire and 30.3 percent in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

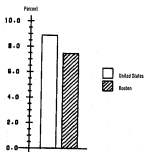


Chart 3.—Total Personal Income
(Seasonally adjusted)

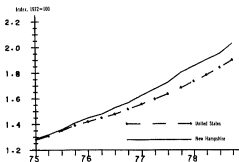


Chart 4.—Industrial Composition of Wages and Salaries: New Hampshire
(Seasonally adjusted)

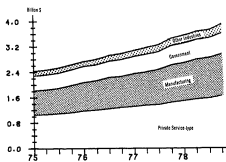


TABLE 2.—Personal Income, United States and New Hampshire Through Fourth Quarter, 1978

	United States			New Hampshire			U.S.		State		
							1977:10—		1977:10—		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1978:III	1978:IV	1978:III	1978:IV	1978:IV
	Billions of dollars, seasonally adjusted at annual rates ¹						Percent change ²				
Total personal income.....	1,583,508	1,783,519	5,532	5,895	6,355	6,824	12.4	13.6	12.6	12.9	
Form personal income.....	31,224	38,451	16	17	13	13	47.9	-19.3	25.3	-22.1	
Rural personal income.....	1,552,284	1,745,068	5,516	5,878	6,342	6,811	11.9	13.7	12.3	13.8	
Total personal income.....	1,583,508	1,783,519	5,532	5,895	6,355	6,824	12.4	13.6	12.6	12.9	
Wages and salary disbursements.....	1,613,216	1,740,696	3,277	3,475	3,753	3,937	12.1	14.5	12.6	13.3	
Other labor income.....	94,016	111,719	325	320	388	485	17.9	15.4	16.4	16.0	
Proprietor income.....	105,953	125,955	381	395	331	351	21.5	9.8	18.5	13.7	
Transfer payments.....	23,636	31,344	8	8	4	4	46.6	-46.5	31.3	-52.7	
Farm.....	82,317	94,953	293	301	326	347	17.8	11.4	15.3	15.5	
Nonfarm.....	23,492	242,442	809	825	996	936	17.3	12.8	12.9	13.3	
Dividends, interest, and rent.....	215,944	233,750	753	776	833	844	6.6	10.7	8.7	9.6	
State unemployment insurance benefits.....	11,378	7,753	18	21	19	19	-24.0	5.9	-28.3	-25.5	
Less: personal contributions.....	62,212	71,610	234	247	234	284	14.8	16.7	15.1	15.7	
Plus: residence adjustment.....	-481	-475	497	414	457	465					
Wage and salary disbursements.....	1,613,216	1,740,696	3,277	3,475	3,753	3,937	12.1	14.5	12.6	13.3	
Farm.....	1,174	7,539	8	8	8	8	8.3	8.2	10.5	4.9	
Nonfarm.....	1,606,042	1,732,757	3,269	3,467	3,745	3,929	12.1	14.6	12.6	13.3	
Manufacturing.....	16,048	18,613	5	5	7	7	26.5	41.2	33.9	34.2	
Construction.....	15,048	18,613	150	208	230	260	19.1	19.2	20.1	24.9	
Durable goods.....	176,212	202,917	1,102	1,182	1,282	1,325	12.1	15.8	13.3	17.0	
Non-durable goods.....	20,853	20,853	945	727	793	826	13.7	20.9	15.2	13.6	
Private service-type.....	456,764	515,248	1,291	1,462	1,559	1,672	12.4	9.4	14.5	12.9	
Transportation, communication, and public utilities.....	76,184	85,254	171	193	195	201	10.4	13.9			
Wholesale and retail trade.....	176,889	195,025	568	585	595	601					
Finance, insurance, and real estate.....	54,452	61,653	165	169	187	196					
Services.....	153,040	173,396	487								
Government.....	291,752	215,083	567								
Federal.....	162,176	73,900	172								
State and local.....	130,076	142,880	395								
Other.....	3,216	3,695	7	7	8	8	18.7	15.3	14.6	14.4	

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and New Hampshire Through Fourth Quarter, 1978¹

	United States			New Hampshire			U.S.		State		
							1977:10—		1977:10—		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1978:III	1978:IV	1978:III	1978:IV	1978:IV
	Index, 1967=100, not seasonally adjusted						Percent change				
U.S. city average ²	155.3	161.8	155.8	155.3	154.2	153.2	7.9	5.0	8.0	7.5	
Boston.....											

1. Consumer Price indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 25 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, labor market conditions in Minnesota were strong. The civilian labor force increased 4.0 percent, nearly 1 percentage point more than in the Nation (table 4). Among all States, Minnesota's increase ranked 17th. Total employment increased 5.1 percent in the State, 1.2 percentage points more than in the Nation, to almost 2.0 million. Minnesota's increase, along with the increase in Kansas, was the largest in the Plains region.

With total employment increasing 94,000 and the labor force increasing 77,000, unemployment declined 17,000, to 68,000. In 1978:IV, Minnesota's unemployment rate was 3.4 percent versus 5.5 percent in the Nation. Only five States—four of them located in the Plains region—

had unemployment rates lower than Minnesota's. The State's unemployment rate declined 1.0 percentage point from year to year versus a decline in the Nation of 0.7 percentage point.

In December 1978, the preliminary unemployment rate in the State was 3.9 percent, down 1.1 percentage points since December 1977. The December 1978 rate in Minneapolis-St. Paul, which accounts for one-half of the State's labor force, was 2.9 percent, down 0.8 percentage point from the year before. In Duluth-Superior, the December 1978 rate was 5.0 percent, down 4.3 percentage points from the year before, when a mining strike was in effect.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV
Minnesota

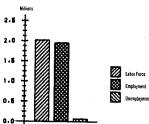


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

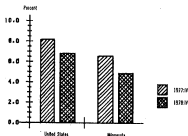


TABLE 4.—Labor Force, United States and Minnesota Through Fourth Quarter, 1978

	Employees on nonagricultural payrolls, by industry, seasonally adjusted, 1977-1978											
	United States				Minnesota				U.S. State		U.S. State	
	1977:IV		1978:IV		1977:IV		1978:IV		1977:IV—1978:IV		1977:IV—1978:IV	
	Thousands of persons, not seasonally adjusted ¹											Percent change ²
Employees on nonagricultural payrolls.....	84,210	87,708	1,518	1,842	1,701	1,731	4.3	5.3	4.3	5.5		
Mining.....	787	889	10	8	19	18	8.2	94.8	14.2	127.5		
Construction.....	4,882	4,488	82	77	92	87	10.4	12.2	11.3	12.3		
Manufacturing.....	15,986	17,732	351	344	371	367	3.1	5.5	3.7	6.6		
Transportation, communication, and public utilities.....	4,761	4,571	54	55	93	99	3.8	-5	4.4	3.8		
Wholesale and retail trade.....	19,152	20,255	483	423	89	89	4.8	5.0	-2.0	5.4		
Finance, insurance, and real estate.....	4,852	4,756	84	85	89	89	4.8	5.5	4.4	5.8		
Services.....	15,539	16,715	315	323	332	338	4.6	5.5	4.4	5.8		
Government.....	15,434	16,666	271	282	275	285	2.1	1.3	1.4	1.0		
Civilian labor force ³	96,581	101,636	1,958	1,944	2,629	2,821	3.2	3.6	3.1	4.0		
Total employed.....	82,442	86,810	1,871	1,859	1,951	1,952	4.1	4.8	3.9	5.1		
Total unemployed.....	14,139	14,826	87	85	68	68	-9.8	-21.7	-8.8	-20.7		
Percent unemployed.....	6.2	5.8	4.4	4.4	3.4	3.4						

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1979, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

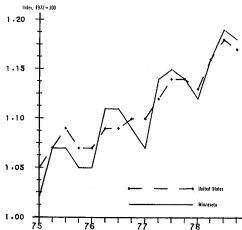


Chart 8.—Civilian Employment

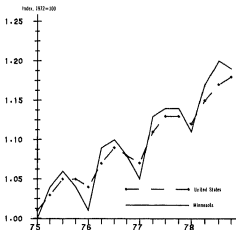


Chart 9.—Unemployment Rate

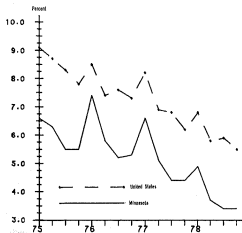
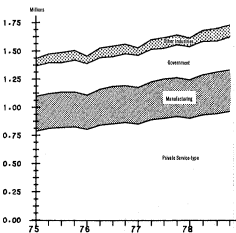


Chart 10.—Industrial Composition of Nonagricultural Employment: Minnesota



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Minnesota Through Fourth Quarter, 1978

	United States		Minnesota		U.S.		State	
	1973 IV	1978 IV	1973 III	1978 IV	1973 III—1978 III		1977 IV—1978 IV	
	Millions of dollars, not seasonally adjusted ¹				Percent change ²			
Total loans	444,902	n.a.	12,829	12,144	12,804	n.a.	16.3	16.7
Commercial and industrial	396,317	n.a.	3,489	3,594	4,144	n.a.	14.2	38.8
Loans to individuals	140,589	n.a.	2,416	2,414	2,732	n.a.	28.2	15.5
Real estate	137,935	n.a.	3,854	3,802	4,259	n.a.	39.9	16.6
Residential	101,336	n.a.	2,400	2,482	2,792	n.a.	21.3	16.2
Farms	1,731	n.a.	243	248	271	n.a.	10.7	11.6
Other	92,358	n.a.	1,988	1,032	3,195	n.a.	19.0	38.6
Farms, excluding real estate	25,704	n.a.	1,389	1,237	1,548	n.a.	6.8	13.2
Other	68,947	n.a.	991	967	1,061	n.a.	8.0	17.7
Total deposits	819,531	n.a.	16,684	16,878	18,654	n.a.	11.5	12.8
Current	337,883	n.a.	5,362	6,213	5,965	n.a.	10.2	31.2
Time and savings	541,628	n.a.	11,322	11,865	12,689	n.a.	12.3	13.5

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 9.0 percent in the State versus 16.8 percent in the Nation (table 6). All major construction categories were weaker in Minnesota than in the Nation. In 1978:IV, contracts in the State totaled \$902 million, for a gain over the year of \$74 million.

National construction costs increased about 13 percent; if this increase is representative of cost changes in Minnesota, the real valuation of construction contracts declined about 4 percent in the State, compared with a 4-percent increase nationally.

Nonbuilding contracts declined 14.9 percent in valuation in Minnesota versus a 22.2-percent increase in the Nation. Partly accounting for the decline was a decline of 4.1 percent in the valuation of street and

highway contracts. Nationally, the valuation of street and highway contracts declined 16.3 percent.

Contracts for additions and alterations to residential housekeeping units increased 6.0 percent in valuation in the State versus 14.6 percent in the Nation. The valuation of residential housekeeping contracts increased 5.9 percent in the State and 15.6 percent nationally. The number of dwelling units started declined 5.5 percent, or 533 units in the State, to 9,212 units. Nationally, in contrast, the number of dwelling units started was virtually unchanged at a high level.

The valuation of nonresidential contracts increased 11.6 percent in the State, lagging the national increase by 4.2 percentage points.

Chart 14.—Construction Contracts—Total Valuation

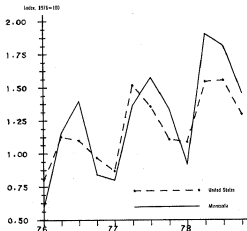


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Minnesota

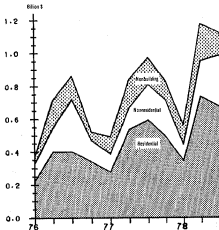


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV-1978:IV

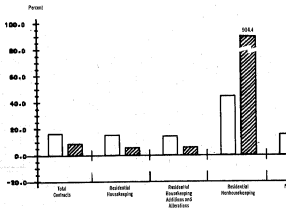


TABLE 6.—Construction Contracts, United States and Minnesota Through Fourth Quarter, 1978¹

	United States			Minnesota			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV	1977:IV— 1978:IV
	Not seasonally adjusted						Percent change ²			
Total value of contracts	38,063,131	45,458,173	974,133	828,081	1,324,952	902,351	14.5	15.5	16.8	9.6
Residential housing, additions and alterations	7,307,567	8,832,353	177,189	147,462	189,443	154,359	16.8	7.5	14.5	6.0
Value in (thousands of dollars)										
All other contracts										
Number of contracts	67,789	56,938	1,848	1,434	1,795	1,393	4.4	-1.8	-9.3	-2.9
Value (thousands of dollars)	31,785,124	36,627,429	797,613	680,579	935,509	745,992	14.0	17.4	17.4	9.4
Floor area (thousands of square feet)	881,453	871,596	21,585	18,564	25,213	21,549	10.3	15.2	18.2	13.3
Residential housing										
Number of contracts	14,825	14,192	381	389	355	371	-5.1	-5.2	-4.3	-7.0
Number of dwelling units	445,772	443,975	12,079	9,745	11,763	9,212	1.0	-3.1	-8	-5.5
Value (thousands of dollars)	14,879,585	17,186,518	411,880	339,975	476,275	366,184	15.3	15.7	15.6	5.9
Floor area (thousands of square feet)	579,333	641,796	14,890	12,320	16,113	12,964	10.3	8.2	18.7	2.3
Residential nonhousing										
Number of contracts	527	565	15	7	12	12	-16.0	-26.0	-4	71.4
Value (thousands of dollars)	338,637	490,279	6,250	4,133	10,084	41,311	5.4	61.2	44.8	104.4
Floor area (thousands of square feet)	8,467	12,568	228	143	349	1,004	-7	53.4	24.7	642.4
Nonresidential										
Number of contracts	30,755	27,055	533	547	599	540	-2.5	-4.5	-12.8	-4
Value (thousands of dollars)	9,334,445	10,819,769	215,131	219,913	210,652	245,152	27.6	43.7	15.8	11.6
Floor area (thousands of square feet)	253,153	318,246	6,768	6,521	8,751	7,842	12.2	29.3	8.9	20.3
Nonbuilding										
Number of contracts	15,761	15,175	969	485	920	476	22.4	1.2	-8.1	-3.3
Value (thousands of dollars)	6,852,476	8,127,854	162,832	116,578	134,498	93,145	-1	-14.9	22.2	-14.9
Streets and highways										
Number of contracts	4,585	4,099	368	131	342	89	9.3	-7.1	-17.8	-32.1
Value (thousands of dollars)	2,706,681	1,331,343	68,905	23,752	68,616	25,568	3.8	1.5	-16.3	-4.1

1. Contracts started or expected to start within 90 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Minnesota totaled \$4.1 billion in 1978:IV, up 8.6 percent increase (table 7). In 1978:IV, nondurable goods accounted for \$2.6 billion, and durable goods accounted for \$1.5 billion.

TABLE 7.—Retail Sales, United States and Minnesota Through Fourth Quarter, 1978

	United States			Minnesota			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV	1977:IV— 1978:IV
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	197,836	219,929	3,480	3,829	3,767	4,149	16.3	8.9	11.2	8
Durable goods	62,860	71,573	n.a.	n.a.	1,469	1,569	11.8	—	15.3	—
Nondurable goods	134,976	147,447	n.a.	n.a.	2,297	2,580	9.6	—	9.2	—

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Minnesota Through Fourth Quarter, 1978

	United States			Minnesota			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV	1977:IV— 1978:IV
	Not seasonally adjusted						Percent change			
New business incorporations	105,431	n.a.	1,608	1,621	1,790	n.a.	8.2	31.3	—	—
Total number of business failures	1,884	n.a.	47	38	44	n.a.	-6.5	-6.4	—	—
Current liabilities (thousands of dollars)	484,295	n.a.	6,269	4,337	7,367	n.a.	-44.2	35.7	—	—
Average liability per failure (thousands of dollars)	258	n.a.	133	199	195	n.a.	-28.4	24.8	—	—
Business failures by industry										
Mining and manufacturing	248	n.a.	8	4	8	n.a.	-18.1	33.3	—	—
Construction	309	n.a.	9	7	2	n.a.	3.6	-77.8	—	—
Wholesale trade	191	n.a.	5	4	8	n.a.	-27.1	80.0	—	—
Retail trade	488	n.a.	19	18	24	n.a.	-4.2	26.3	—	—
Commercial services	238	n.a.	8	5	2	n.a.	-24.0	-75.0	—	—

n.a.: Data not available.
Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

MISSISSIPPI

Highlights

1977:IV to 1978:IV

- Personal income**
- Up 13.5% vs. 12.6% in U.S., to \$14.3 billion
 - Payrolls up 15.3% in State and local government vs. 6.8% in U.S.
 - Payrolls up 28.3% in construction vs. 20.1% in U.S.
- Employment**
- Unchanged, at 909,000, vs. 3.9% increase in U.S.
- Unemployment**
- Down 4,000, to 64,000
 - Rate down to 6.6% of labor force vs. 5.5% U.S. rate
- Construction**
- Total valuation of contracts up 5.8% vs. 16.8% in U.S., to \$514.3 million
 - Valuation of nonresidential contracts down 50.3% vs. 15.8% increase in U.S.
 - Number of dwelling-unit starts up 8.3% vs. near stability in U.S., to 5,875

TABLE 1.—Summary of Economic Indicators, United States and Mississippi Through Fourth Quarter, 1978

	United States		Mississippi				U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV		
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars).....	1,583,598	1,782,619	12,118	12,570	14,322	14,285	12.4	18.2	12.6	
Total wages and salaries (millions of dollars).....	1,313,218	1,340,896	7,323	7,487	8,341	8,336	12.1	13.9	12.4	
Civilian employment (thousands).....	92,442	96,010	910	909	903	909	4.1	-7	3.9	
Unemployment (thousands).....	6,149	5,805	72	88	76	64	-8.8	4.9	-8.8	
Percent unemployed (unemployment/labor force).....	6.2	5.5	7.8	7.0	7.8	6.5	---	---	---	
Total loans (millions of dollars).....	605,502	n.a.	4,387	4,487	5,185	n.a.	18.2	14.2	---	
Total deposits (millions of dollars).....	825,511	n.a.	6,886	7,252	7,939	n.a.	11.5	15.3	---	
Total valuation of construction contracts (thousands of dollars).....	38,913,111	45,456,773	427,782	485,992	549,238	514,282	14.5	26.2	16.8	
Dwelling units started (number).....	445,772	443,015	5,826	5,423	6,568	5,875	1.0	12.6	-5	
Total retail sales (millions of dollars).....	197,890	219,028	n.a.	n.a.	n.a.	n.a.	10.3	---	11.2	
New business incorporations (number).....	100,411	n.a.	950	959	965	n.a.	8.2	1.4	---	
Business failures (number).....	1,684	n.a.	3	6	5	n.a.	-8.5	66.7	---	
Consumer Price Index (1967=100):										
U.S. city average.....	185.3	201.8	---	---	---	---	7.9	---	8.9	

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 13.5 percent from 1977:IV to 1978:IV versus 12.6 percent nationally (table 2). In 1978:IV, the State's personal income totaled \$14.3 billion, up \$1.7 billion since 1977:IV. From year to year, Mississippi's farm personal income increased 14.5 percent versus 26.3 percent nationally, and the State's nonfarm personal income increased 13.4 percent versus 12.3 percent nationally. Since the most recent national business cycle peak in 1973:IV, Mississippi's nonfarm economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 13 percent more than nationally, ranking Mississippi 20th among all States.

Wage and salary disbursements (payrolls) from 1977:IV to 1978:IV increased 13.7 percent in the State, compared with a 12.6-percent national increase. In 1978:IV, they totaled \$8.5 billion, up \$1.0 billion

since 1977:IV. State and local government payrolls increased 15.3 percent in Mississippi, the largest increase in the Nation and well over two times the national increase. The dollar increase in Mississippi's State and local government payrolls accounted for 15 percent of the year-to-year increase in all State payrolls. Federal Government payrolls in Mississippi also increased faster than nationally—9.7 percent versus 7.1 percent.

Within Mississippi's private service-type industry group, State payroll increases outpaced national increases in most components. Payrolls in transportation-communication-public utilities increased 12.9 percent versus 11.3 percent nationally, and trade payrolls increased 16.1 percent versus 14.1 percent nationally. In finance-insurance-real estate, State payrolls increased 15.1 percent, compared with a 13.2-percent national gain. Services payrolls, in contrast, increased 11.6 percent in the State and 12.7 percent nationally.

Payrolls in Mississippi's construction industry increased 28.3 percent from year to year, one of the largest increases in the Nation, compared with a national increase of 20.1 percent.

Nondurable goods manufacturing payrolls increased 11.0 percent versus 10.0 percent nationally. In contrast, durable goods manufacturing payrolls increased 10.0 percent in the State, 5.2 percentage points less than nationally; Mississippi's increase was outpaced by increases in 45 States.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined only 11.1 percent in Mississippi—one of the smallest declines in the Nation. Concurrently, unemployment insurance benefits throughout the Nation declined 30.3 percent.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
(Seasonally adjusted)

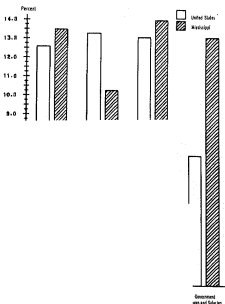


Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

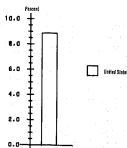


Chart 3.—Total Personal Income
(Seasonally adjusted)

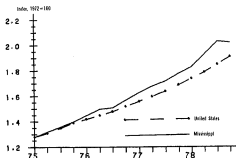


Chart 4.—Industrial Composition of Wages and Salaries: Mississippi
(Seasonally adjusted)

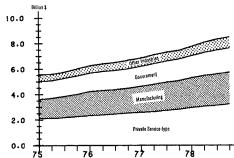


TABLE 2.—Personal Income, United States and Mississippi Through Fourth Quarter, 1978

	United States			Mississippi			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:III— 1978:III	1977:III— 1978:III	1977:III— 1978:III
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income.....	1,583,508	1,782,519	12,116	12,374	14,322	14,265	12.4	16.2	12.6	12.5
Farm personal income.....	31,224	35,415	515	760	1,171	809	47.9	127.1	26.3	14.5
Nonfarm personal income.....	1,552,284	1,747,099	11,601	11,613	13,152	13,456	11.9	13.4	12.3	13.4
Total personal income.....	1,583,508	1,782,519	12,116	12,374	14,322	14,265	12.4	16.2	12.6	12.5
Wage and salary disbursements.....	1,313,216	1,440,696	7,323	7,487	8,341	8,516	12.1	13.9	12.6	13.7
Other labor income.....	96,016	111,719	707	734	834	851	17.0	18.0	16.4	15.9
Proprietors' income.....	105,953	125,985	1,213	1,413	1,583	1,680	21.6	43.5	18.9	17.5
Farm.....	23,635	31,044	372	561	1,017	649	66.6	173.6	31.3	15.8
Nonfarm.....	82,317	94,941	841	857	966	961	12.8	14.8	13.3	16.8
Dividends, interest, and rent.....	214,902	242,442	1,308	1,391	1,418	1,449	12.3	11.5	12.8	12.3
Transfer payments.....	215,944	233,750	2,342	2,601	2,255	2,282	8.8	10.5	8.3	10.1
State unemployment insurance benefits.....	11,138	7,753	54	35	52	49	-24.0	-3.8	-30.3	-11.1
Less: personal contributions.....	62,212	71,610	496	584	573	579	14.8	15.5	15.1	15.8
Plus: residence adjustment.....	-400	-473	63	68	72	76	—	—	—	—
Wage and salary disbursements.....	1,013,216	1,140,696	7,323	7,487	8,341	8,516	12.1	13.9	12.6	13.7
Farm.....	7,776	7,939	141	144	150	157	8.5	6.8	10.6	9.2
Nonfarm.....	1,006,440	1,132,757	7,182	7,343	8,190	8,359	12.1	14.0	12.6	13.8
Mining.....	14,648	18,803	182	105	141	145	26.5	37.6	33.9	37.8
Construction.....	55,648	66,898	437	417	519	534	14.1	11.8	21.1	28.3
Manufacturing.....	176,112	312,571	2,714	3,331	2,474	2,901	12.1	11.8	13.3	10.3
Durable goods.....	89,890	169,517	951	1,424	1,544	1,566	13.7	12.9	15.2	10.0
Non-durable goods.....	455,714	535,348	2,769	2,894	3,150	3,242	12.8	14.2	13.1	14.0
Private service-type.....	76,544	85,264	489	486	531	548	10.4	8.5	11.3	12.9
Transportation, communication, and public utilities.....	170,888	185,035	1,128	1,157	1,309	1,243	13.6	14.9	14.1	16.1
Wholesale and retail trade.....	54,452	61,652	286	306	344	352	14.1	14.5	13.2	15.1
Finance, insurance, and real estate.....	153,940	173,395	847	885	989	999	12.6	14.2	12.7	14.4
Services.....	48,176	73,093	641	651	707	714	7.3	16.3	7.1	9.7
Government.....	133,276	142,680	1,815	1,034	1,171	1,195	7.5	14.4	6.6	15.3
Federal.....	48,176	73,093	641	651	707	714	7.3	16.3	7.1	9.7
State and local.....	133,276	142,680	1,815	1,034	1,171	1,195	7.5	14.4	6.6	15.3
Other.....	3,216	3,685	24	24	27	27	38.7	15.4	14.4	13.8

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Mississippi Through Fourth Quarter, 1978¹

	United States			Mississippi			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:III— 1978:III	1977:III— 1978:III	1977:III— 1978:III
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ²	105.3	201.8	—	—	—	—	7.9	—	8.5	—

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and rounded data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Mississippi's civilian labor force declined 0.5 percent versus a national increase of 3.1 percent (table 4). Mississippi was one of only three States to register a decline. Total employment in the State was unchanged, at 909,000, versus a 3.9-percent national increase; Arkansas, with a 1.7-percent decline, was the only other State in which total employment did not increase.

With the labor force declining about 5,000 and employment remaining about the same, the number of unemployed declined between 4,000 and 5,000, to 64,000. Mississippi's unemployment rate declined 0.4

percentage point, to 6.6 percent of the labor force. The State's unemployment rate was the fifth highest in the Nation in 1978:IV. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

According to preliminary data for December 1978, the unemployment rate was 6.6 percent for the State as a whole and only 4.7 percent for Jackson, Mississippi's major metropolitan area. Both rates were marginally lower than in December 1977.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV
Mississippi

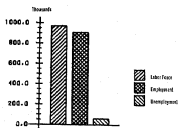


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

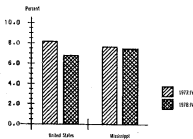


TABLE 4.—Labor Force, United States and Mississippi Through Fourth Quarter, 1978

	United States			Mississippi			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:IV		1977:IV— 1978:IV	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employment on nonagricultural payroll	84,216	87,730	749	740	759	467	-4.3	3.8	4.2	3.4
Mining	203	899	8	8	8	8	8.2	3.8	14.2	3.8
Construction	4,851	4,488	42	42	45	43	10.4	5.2	11.3	3.1
Manufacturing	18,936	20,322	234	234	234	235	3.1	-1	3.7	-6
Transportation, communication, and public utilities	4,741	4,671	37	37	36	39	3.8	3.6	4.4	3.5
Wholesale and retail trade	18,152	20,016	152	155	157	161	8.5	3.7	4.5	3.5
Finance, insurance, and real estate	4,852	4,756	30	30	32	32	4.8	3.6	-2.0	3.6
Services	15,538	16,215	108	109	116	117	4.6	6.6	4.4	7.1
Government	15,434	15,656	154	163	171	173	2.3	7.4	1.4	6.0
Civilian labor force ³	94,501	101,615	803	978	919	973	3.2	-7.3	3.1	-5
Total employed	92,442	95,810	910	909	903	909	4.1	-7	3.9	-9
Total unemployed	6,149	5,805	72	69	76	64	-8.8	4.9	-8.8	-6.5
Percent unemployed	6.2	5.5	7.4	7.0	7.8	6.6				

1. Detail may not add to totals because of rounding.

2. Based on rounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

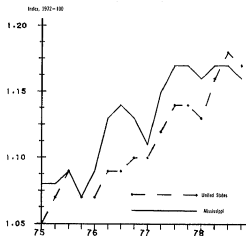


Chart 8.—Civilian Employment

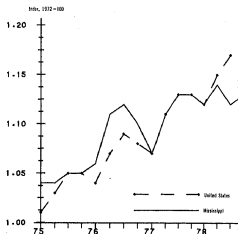


Chart 9.—Unemployment Rate

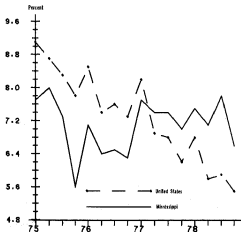


Chart 10.—Industrial Composition of Nonagricultural Employment: Mississippi

Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Mississippi Through Fourth Quarter, 1978

	United States			Mississippi			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:IV	1977:IV	1978:IV	1978:IV	1977:IV=1978:IV	1977:IV=1978:IV	1977:IV=1978:IV	1977:IV=1978:IV
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total assets	616,982	n.a.	4,387	4,487	5,186	n.a.	18.3	18.2	---	---
Commercial and industrial	186,317	n.a.	1,095	1,025	1,099	n.a.	14.2	8.1	---	---
Loans to individuals	148,589	n.a.	1,472	1,583	1,772	n.a.	28.2	20.4	---	---
Real estate	177,935	n.a.	1,336	1,466	1,709	n.a.	39.9	27.9	---	---
Resident M.	100,236	n.a.	955	549	727	n.a.	21.3	39.8	---	---
Other	7,731	n.a.	222	204	227	n.a.	10.7	2.1	---	---
Farms	68,968	n.a.	585	631	762	n.a.	19.0	27.2	---	---
Farms, excluding real estate	25,764	n.a.	227	285	332	n.a.	6.8	1.4	---	---
Other	69,947	n.a.	235	239	275	n.a.	8.0	16.7	---	---
Total deposits	825,511	n.a.	6,886	7,351	7,899	n.a.	11.5	15.3	---	---
Demand	377,683	n.a.	2,545	2,776	2,776	n.a.	10.2	9.1	---	---
Time and savings	547,828	n.a.	4,341	4,575	5,123	n.a.	12.3	16.9	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

1977:IV to 1978:IV, the total valuation of construction contracts increased 5.8 percent (\$28.3 million), to \$514.3 million (table 6). The total percent increase was three times Mississippi's. National construction costs increased about 13 percent during the same timespan, this increase is representative of the increase throughout the State. Total valuation of contracts in Mississippi sustained a real decline of 7 percent versus a real increase in the Nation of about 4 percent.

Residential contracts declined 50.3 percent in valuation, compared to a 15.8-percent increase nationally. Mississippi's decline was the steepest decline in the Nation, exceeded only by the District of Columbia's 55.2-percent decline. A \$50 million contract in 1977:IV for the construction of a grain elevator in Jackson County was partly responsible for raising the valuation of Mississippi's nonresidential contracts to an unusually high level in 1977:IV, thereby distorting the year-to-year change.

Building contracts, in contrast, increased 44.3 percent in valuation

versus 22.2 percent nationally. A \$33.2 million contract in 1978:IV for the construction of naval docks in Itawamba County was mainly responsible for the State's year-to-year increase. If the docks contract is excluded, the valuation of nonbuilding contracts in the State would have increased only 7.8 percent. The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 51.2 percent in the State and 16.3 percent nationally. Mississippi's decline was one of the largest in the Nation.

Residential housekeeping contracts increased 30.8 percent in valuation, twice as much as nationally. The number of dwelling units started increased 8.3 percent (452 units), to 5,875 units. Nationally, the number of dwelling units started was almost unchanged at a high level. The valuation of contracts for residential housekeeping additions and alterations increased more in Mississippi, 36.6 percent, than in any other State. Nationally, addition and alteration contracts increased 14.6 percent in valuation.

Chart 14.—Construction Contracts—Total Valuation

1976-1978

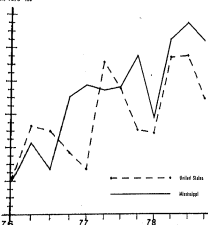


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Mississippi

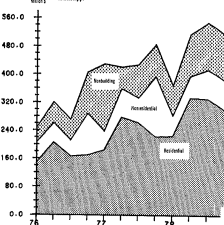


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

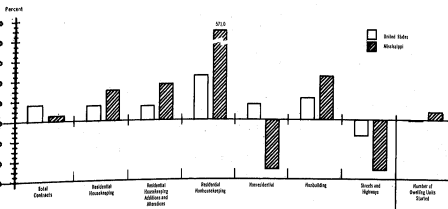


TABLE 6.—Construction Contracts, United States and Mississippi Through Fourth Quarter, 1978*

	United States			Mississippi			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Not seasonally adjusted						Percent change ^b			
Total valuation of contracts	38,913,111	45,458,773	427,762	485,952	548,228	514,292	14.5	28.2	15.8	5.8
Residential housingkeeping, additions and alterations:										
Valuation (thousands of dollars)	7,707,987	8,812,353	93,867	71,049	105,434	97,067	16.8	12.3	14.5	35.6
Other contracts:										
Number of contracts	62,289	55,928	559	683	775	575	4.4	17.5	-9.3	-1.2
Value (thousands of dollars)	30,295,324	31,627,426	331,835	414,431	442,808	417,225	14.9	15.5	32.5	8.1
Floor area (thousands of square feet)	881,453	971,586	9,910	18,218	11,558	11,063	10.8	17.6	10.2	13.5
Industrial housingkeeping:										
Number of contracts	14,625	14,182	273	269	268	271	-5.1	-1.8	-4.3	.1
Value (thousands of dollars)	445,732	443,075	5,825	5,423	6,549	5,595	1.0	15.5	-6.5	8.1
Floor area (thousands of square feet)	14,871,586	17,158,518	188,643	151,354	223,035	198,686	15.3	32.7	15.6	30.1
Industrial nonhousingkeeping:										
Number of contracts	577	565	4	2	4	3	-10.0	.0	-4	50.1
Value (thousands of dollars)	338,637	400,279	505	280	3,392	1,946	9.4	490.3	44.8	571.1
Floor area (thousands of square feet)	8,457	16,569	21	1	66	18	-7	214.3	24.7	***
Nonresidential:										
Number of contracts	30,758	27,855	285	251	243	194	-9.5	18.0	-12.0	-22.1
Value (thousands of dollars)	1,234,415	10,810,769	70,682	171,588	82,718	85,439	27.6	12.1	15.8	-50.1
Floor area (thousands of square feet)	253,253	279,240	2,334	3,490	2,136	3,139	12.2	-8.5	8.9	-8.1
Highways:										
Number of contracts	15,701	15,175	175	161	360	207	22.4	47.7	-9.1	28.1
Value (thousands of dollars)	6,652,476	8,127,854	94,510	94,801	133,757	131,152	-1	41.5	22.2	44.1
Other contracts:										
Number of contracts	4,984	4,899	79	54	102	58	9.3	45.7	-17.8	3.1
Value (thousands of dollars)	2,308,841	1,830,341	52,122	50,480	41,361	27,534	2.0	-17.5	-16.3	-54.1

*Percent change greater than 99.9.

*Contracts started or expected to start within 90 days.

*Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Mississippi are not available.

TABLE 7.—Retail Sales, United States and Mississippi Through Fourth Quarter, 1978

	United States			Mississippi			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted						Percent change			
All sales	191,030	219,028	n.a.	n.a.	n.a.	n.a.	19.3	---	11.2	---
Food	62,665	71,573	n.a.	n.a.	n.a.	n.a.	11.8	---	15.3	---
Nonfood	128,365	147,447	n.a.	n.a.	n.a.	n.a.	9.6	---	9.2	---

*Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Mississippi Through Fourth Quarter, 1978

	United States			Mississippi			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Not seasonally adjusted						Percent change			
New business incorporations	19,411	n.a.	950	958	965	n.a.	8.2	1.6	---	---
Total number of business failures	1,684	n.a.	3	6	5	n.a.	-9.5	66.7	---	---
Failures (thousands of dollars)	684,296	n.a.	286	545	563	n.a.	-44.2	131.1	---	---
Failures per failure (thousands of dollars)	248	n.a.	95	158	122	n.a.	-38.4	39.9	---	---
Industry										
Manufacturing	248	n.a.	0	0	0	n.a.	-10.3	---	---	---
Wholesale trade	319	n.a.	1	3	2	n.a.	1.9	100.0	---	---
Retail trade	191	n.a.	0	1	1	n.a.	-2.1	---	---	---
Services	688	n.a.	2	0	2	n.a.	-4.2	.0	---	---
Other	238	n.a.	0	2	0	n.a.	-24.0	---	---	---

Inc.

NOTE.—This table may not be reproduced without the permission of Don & Bradstreet, Inc.



Highlights

1977:1V to 1978:1V

Personal income	<ul style="list-style-type: none"> —Up 11.2%, 1.4 percentage points less than in U.S. —Small increases in most major private industries and in government
Consumer prices	—Up 9.5% in St. Louis and 8.4% in Kansas City vs. 8.9% in U.S.
Employment	—Up 2.4% vs. 3.9% in U.S., to 2.1 million
Unemployment	<ul style="list-style-type: none"> —Down 18,000, to 102,000 —Rate down to 4.5% of labor force vs. 5.5% U.S. rate
Construction	<ul style="list-style-type: none"> —Total valuation of contracts up 9.2% vs. 16.8% in U.S., to \$786 million —Large gain in valuation of residential housekeeping contracts —Number of dwelling-unit starts down 4.7% vs. little change in U.S., to 7,608
Retail sales	—Up 13.7% vs. 11.2% in U.S., to \$5.1 billion

Analysis

Personal Income

Total personal income (reasonably adjusted at annual rates) increased 11.2 percent from 1977:IV to 1978:IV, 1.4 percentage points less than in the Nation (table 2). Among all States, Missouri's increase ranked 37th. In 1978:IV, the State's personal income totaled \$37.4 billion, for an increase of \$3.7 billion since 1977:IV. Changes in most major income components were below those registered in corresponding components nationally.

Since the last national business cycle peak (1973:IV), Missouri's economy has increased slowly; the increase in nonfarm income was 5 percent less than nationally, ranking Missouri 38th among all States.

Consumer prices from 1977:IV to 1978:IV increased 8.4 percent in the Kansas City metropolitan area and 9.5 percent in St. Louis; in the Nation, prices increased 8.9 percent (table 3). If the average price increase in the two areas—9.0 percent—is used as an indicator for price

movements in the State, real total personal income in Missouri increased 2.2 percent from year to year versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 10.2 percent in the State versus 12.6 percent in the Nation. In 1978:IV, they totaled \$23.9 billion, increasing \$2.2 billion from year to year. Missouri's increase ranked 46th among all State increases.

Payrolls in the private service-type industry group increased 10.0 percent in Missouri versus 13.1 percent in the Nation. The increase in each component of the private service-type group was below that registered in the Nation. The lag was particularly pronounced in services—up 7.8 percent in Missouri versus 12.7 percent in the Nation. Construction payrolls increased 18.2 percent in the State and 20.1 percent in the Nation.

Manufacturing payrolls increased 13.4 percent in the State, about the same as in the Nation. Manufacturing payrolls accounted for 28.8 percent of all payrolls in the State in 1978:IV versus a national weight of 27.4 percent. Missouri's increase in durable goods payrolls was 16.8 percent versus 15.2 percent in the Nation. In contrast, nondurable goods payrolls increased 7.8 percent in the State and 10.0 percent in the Nation. In Missouri's economy, durable goods payrolls are about twice as important as nondurable goods payrolls.

Government payrolls increased 3.0 percent, an increase considerably less than one-half of that registered in the Nation. Weakness was evident in both Federal Government and State and local government payrolls.

With the State and national economies continuing to expand, State unemployment insurance benefits declined 35.9 percent in Missouri and 30.3 percent in the Nation.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)

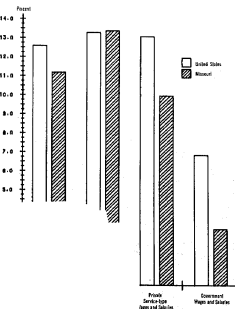


Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

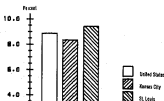


Chart 3.—Total Personal Income
(Seasonally adjusted)

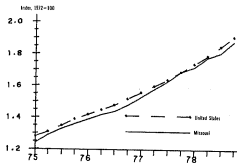


Chart 4.—Industrial Composition of Wages and Salaries: Missouri
(Seasonally adjusted)

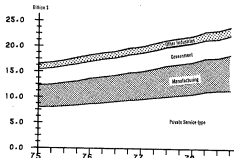


TABLE 2.—Personal Income, United States and Missouri Through Fourth Quarter, 1978

	United States						Missouri		U.S. State		U.S. State	
	1977:IV		1978:IV		1977:III		1978:III		1977:III— 1978:III		1977:IV— 1978:IV	
	Millions of dollars, seasonally adjusted at annual rates ¹								Percent change ²			
Total personal income	1,583,568	1,782,519	32,427	33,618	35,578	37,367	12.4	11.0	12.8	11.2		
Farm personal income	31,224	39,451	720	1,184	1,110	1,561	47.9	54.2	26.3	28.5		
Nonfarm personal income	1,552,284	1,743,068	31,707	32,431	34,468	35,807	11.9	10.0	12.3	10.6		
Total personal income	1,583,568	1,782,519	32,427	33,618	35,578	37,367	12.4	11.0	12.8	11.2		
Wages and salary disbursements	1,013,210	1,140,696	21,290	21,731	23,230	23,940	12.1	9.1	12.6	10.2		
Other labor income	96,816	111,719	2,053	2,128	2,339	2,421	17.0	13.5	16.4	14.3		
Proprietors' income	105,353	125,895	2,054	2,014	2,141	2,194	21.5	25.4	18.9	13.2		
Farm	23,626	31,044	643	1,112	1,033	1,420	68.8	60.6	30.3	27.8		
Nonfarm	81,727	94,851	1,881	1,982	2,108	2,173	12.8	13.3	15.2	14.2		
Dividends, interest, and rent	214,992	242,442	4,617	4,577	5,576	5,576	12.3	11.6	12.8	12.0		
Transfer payments	215,944	232,750	4,580	4,595	4,944	4,914	8.2	8.2	8.2	8.2		
State unemployment insurance benefits	11,128	7,753	165	179	132	115	-24.0	-15.0	-8.3	-36.8		
Social security contributions	82,712	71,610	1,321	1,341	1,482	1,511	14.8	12.2	15.1	12.7		
FICA: residents adjustment	-461	-473	-1,416	-1,445	-1,571	-1,587	-	-	-	-		
Wages and salary disbursements	1,013,210	1,140,696	21,290	21,731	23,230	23,940	12.1	9.1	12.6	10.2		
Farm	7,178	7,928	74	72	74	77	8.5	5	10.6	7.3		
Nonfarm	1,006,040	1,132,767	21,216	21,659	23,156	23,863	12.1	9.1	12.6	10.2		
Mining	14,048	18,813	121	135	145	148	26.5	30.8	32.9	3.9		
Construction	55,440	66,858	1,298	1,156	1,371	1,359	18.1	24.9	20.1	18.2		
Manufacturing	278,112	312,870	3,434	3,779	3,643	3,643	13.7	5.9	15.2	16.8		
Durable goods	178,216	200,053	2,174	2,379	2,443	2,443	9.4	7.7	10.0	7.8		
Non-durable goods	99,896	108,817	2,260	2,308	2,200	2,200	10.4	10.5	11.3	9.6		
Private service-type	495,764	515,448	10,280	10,533	11,472	11,572	12.8	11.6	13.1	10.0		
Transportation, communication, and public utilities	78,594	85,284	2,124	2,284	2,347	2,415	13.8	13.0	14.1	11.4		
Wholesale and retail trade	170,888	185,825	3,880	4,054	4,406	4,517	13.8	12.0	14.1	11.4		
Finance, insurance, and real estate	54,652	61,853	1,053	1,089	1,217	1,217	14.1	15.5	13.2	11.7		
Services	153,840	173,396	3,723	3,770	3,716	3,827	7.3	1.6	8.9	3.6		
Government	201,252	215,083	2,660	2,780	2,716	2,716	7.3	3.2	7.1	3.6		
Federal	68,178	73,000	1,338	1,373	1,382	1,426	7.5	6	6.8	2.5		
State and local	133,074	142,083	2,322	2,407	2,334	2,290	7.5	6	6.8	2.5		
Other	3,218	3,685	45	46	54	53	18.7	19.7	14.6	15.0		

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Missouri Through Fourth Quarter, 1978¹

	United States			Missouri			U.S. State		U.S. State		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	Percent change ¹	Percent change ²	Percent change ³
	Index, 1967=100, not seasonally adjusted						Percent change				
U.S. city average ²	185.3	201.8	—	—	—	—	7.9	—	8.3	—	—
Kansas City	—	—	184.8	202.7	194.3	198.1	—	7.8	—	8.4	—
St. Louis	—	—	178.1	192.5	192.8	197.6	—	7.6	—	—	—

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and rounded data are used for the subsequent quarters. Errors are adjusted to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Missouri's civilian labor force increased only 0.9 percent, 1.7 percentage points less than in the Nation (table 4). Among all States, Missouri's increase was one of the smallest. Total employment in the State increased 2.4 percent, 1.5 percentage points less than in the Nation, to 2.1 million. Again, Missouri's increase was one of the smallest in the Nation.

With total employment increasing 50,000 and the labor force increasing 10,000, unemployment declined 18,000, to 102,000. In 1978:IV, Missouri's unemployment rate was 4.5 percent, the highest rate in the Nation but 1.0 percentage point less than the national rate. Only

12 States had lower rates. Missouri's unemployment rate declined 0.9 percentage point from year to year versus a U.S. decline that was fractionally less.

In December 1978, the preliminary unemployment rate in Missouri was 4.7 percent. Rates in major metropolitan areas of the State were 3.8 percent in Kansas City, 3.9 percent in Springfield, 4.9 percent in St. Louis, and 5.1 percent in St. Joseph. From December 1977 to December 1978, the preliminary unemployment rate declined 1.0 percentage point in the State and 1.4 percentage points in both Kansas City and St. Louis.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Missouri

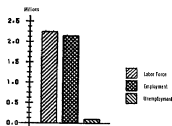


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

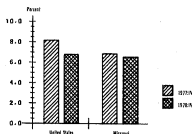


TABLE 4.—Labor Force, United States and Missouri Through Fourth Quarter, 1978

	United States			Missouri			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:III	1977:IV—1978:IV	1977:IV—1978:IV
	Thousands of persons, not seasonally adjusted ^a						Percent change ^b			
Labor force	84,216	87,384	1,887	1,968	1,823	1,631	4.3	1.9	4.2	1.2
Employment	787	899	9	9	8	8	-7.8	14.2	-8.1	-8.1
Unemployment	4,532	4,488	87	83	85	83	10.4	5.5	11.3	0
Unemployment rate	19,585	20,722	446	449	452	458	3.1	1.4	3.7	1.9
Unemployment rate	4,761	4,871	132	133	135	136	3.8	2.6	4.4	2.4
Unemployment rate	19,092	20,815	453	459	468	468	5.3	3.2	4.5	2.0
Unemployment rate	4,852	4,756	101	99	104	103	4.8	3.6	-2.0	3.4
Unemployment rate	15,539	16,215	355	362	356	348	4.6	3	4.4	1.5
Unemployment rate	15,434	15,656	367	334	368	330	2.1	5	1.4	-1.2
Unemployment rate	36,991	101,605	2,041	2,237	2,261	2,349	5.2	6	3.1	1.4
Unemployment rate	92,442	96,668	2,112	2,067	2,159	2,147	4.1	1.8	3.9	2.4
Unemployment rate	6,149	5,885	129	120	111	102	-6.8	-13.7	-8.8	-16.1
Unemployment rate	6.2	5.5	5.7	5.4	4.9	4.5	-	-	-	-

continuing.

^a Estimated by new methods, using more current data. This is to exercise caution when making comparisons over time.
^b Labor Statistics.

Chart 7.—Civilian Labor Force

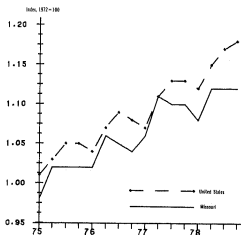


Chart 8.—Civilian Employment

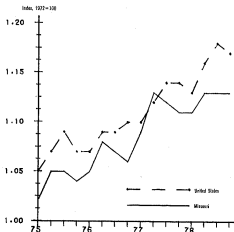


Chart 9.—Unemployment Rate

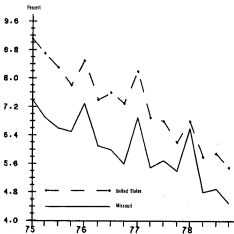
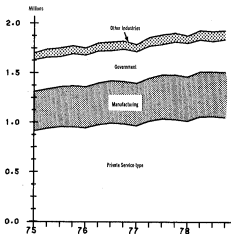


Chart 10.—Industrial Composition of Nonagricultural Employment: Missouri



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Missouri Through Fourth Quarter, 1978

	United States			Missouri			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	810,982	n.a.	12,254	12,869	14,028	n.a.	18.3	18.6	---	---
Commercial and industrial	196,317	n.a.	3,384	3,513	3,910	n.a.	14.2	15.5	---	---
Loans to individuals	146,599	n.a.	3,119	3,238	3,662	n.a.	20.2	17.7	---	---
Real estate	177,915	n.a.	3,065	4,082	4,820	n.a.	19.0	24.7	---	---
Residential	161,218	n.a.	1,958	2,084	2,405	n.a.	21.3	25.8	---	---
Farms	7,721	n.a.	446	461	517	n.a.	19.7	15.4	---	---
Other	68,968	n.a.	1,459	1,558	1,839	n.a.	19.8	26.1	---	---
Finance, including real estate	25,794	n.a.	990	997	1,100	n.a.	8.8	10.0	---	---
Other	69,547	n.a.	890	1,040	1,036	n.a.	8.0	15.2	---	---
Total deposits	826,511	n.a.	10,096	21,386	21,482	n.a.	11.5	12.7	---	---
Demand	377,663	n.a.	1,416	8,273	8,296	n.a.	10.2	11.9	---	---
Time and savings	547,828	n.a.	11,574	12,813	13,706	n.a.	12.3	13.2	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 9.2 percent in Missouri and 16.8 percent in the Nation (table 6). In 1978:IV, contracts in the State totaled \$786 million, for an increase over the year of \$67 million. Residential housekeeping was the only major construction market that was stronger in Missouri than in the Nation.

National construction costs increased about 13 percent; if this increase is representative of cost changes in Missouri, the real valuation of construction contracts declined about 4 percent in the State, compared with a 4-percent increase nationally.

Much of the relative weakness in the State is traceable to contracts for additions and alterations to residential housekeeping units. The State registered an increase in valuation of only 4.6 percent, 10.0 percentage points less than in the Nation.

Nonresidential contracts declined 8.1 percent in valuation in Missouri versus an increase of 15.8 percent in the Nation.

The valuation of nonbuilding contracts increased 15.8 percent in Missouri and 22.2 percent in the Nation. The valuation of state highway contracts—a major component of nonbuilding contracts—declined 20.5 percent in Missouri and 16.3 percent in the Nation.

Contracts for residential housekeeping units increased 19.0 percent in valuation in Missouri, exceeding the national average increase 10.0 percentage points. In contrast, the number of dwelling units started in the State declined 4.7 percent (372 units), to 7,608 units. In the Nation, the number of dwelling units started was virtually unchanged at level.

Chart 14.—Construction Contracts—Total Valuation

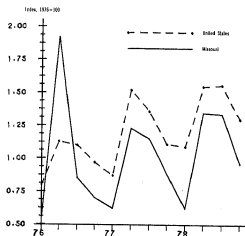


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Missouri

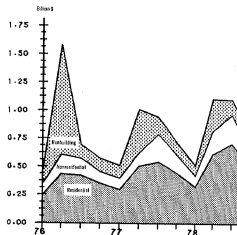


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

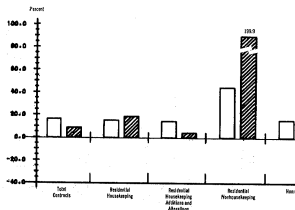


TABLE 6.—Construction Contracts, United States and Missouri Through Fourth Quarter, 1978¹

	United States			Missouri			U.S.	State	U.S.	State
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III— 1978-III		1977-III— 1978-III	1978-IV
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	31,833,113	45,456,773	942,483	720,125	1,168,250	786,458	14.5	16.7	16.8	9.7
Residential housekeeping, additions and alterations: Valuation (thousands of dollars)	7,707,887	8,832,353	210,673	192,800	244,604	201,852	19.8	6.1	14.6	4.6
All other contracts										
Number of contracts	62,789	56,928	1,579	1,271	1,336	1,172	4.4	-2.8	-9.3	-7.8
Valuation (thousands of dollars)	31,205,124	36,627,420	70,187	527,325	855,445	584,545	14.0	20.2	17.4	10.3
Floor area (thousands of square feet)	881,453	971,596	18,538	14,115	21,427	14,426	10.8	9.7	16.2	2.2
Residential housekeeping										
Number of contracts	14,825	14,102	418	436	417	411	-5.1	-2	-4.3	-5.7
Valuation (thousands of dollars)	445,772	443,075	10,013	7,681	18,687	7,608	1.0	6.7	-1.8	-4.7
Floor area (thousands of square feet)	14,879,556	17,198,518	397,724	248,182	418,891	296,316	15.3	26.4	15.6	19.0
Residential nonhousekeeping	579,733	641,756	11,682	5,115	14,758	16,341	18.3	25.3	10.7	13.5
Number of contracts	587	535	16	8	8	13	-10.3	-59.8	-4	67.5
Valuation (thousands of dollars)	338,637	490,279	7,512	2,707	45,241	8,118	9.4	582.2	44.6	159.9
Floor area (thousands of square feet)	6,467	10,560	231	88	784	221	-7	238.9	24.7	150.2
Nonresidential										
Number of contracts	30,756	27,856	517	481	467	426	-2.5	-9.7	-12.0	-11.0
Valuation (thousands of dollars)	6,334,415	10,616,766	245,459	182,007	254,866	148,871	22.6	3.8	15.8	-8.3
Floor area (thousands of square feet)	291,253	318,244	7,625	4,914	5,895	3,884	12.2	-22.8	8.3	-21.4
Nonbuilding										
Number of contracts	16,701	15,176	434	245	444	320	22.4	4.7	-9.3	-7.5
Valuation (thousands of dollars)	6,612,478	8,127,894	158,125	712,489	135,648	131,241	-1	-18.2	22.2	15.8
Streets and highways										
Number of contracts	4,985	4,999	120	151	125	83	9.3	4.2	-17.8	-42.2
Valuation (thousands of dollars)	2,388,081	1,331,241	57,508	53,565	53,178	42,647	8.0	-8.2	-16.3	-20.5

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. N. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Data for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Missouri totaled \$5.1 billion in 1978-IV, up 13.7 percent increase (table 7). In 1978-IV, nondurable goods accounted for \$3.6 billion (\$615 million) since 1977-IV, compared with an 11.2-percent national increase (table 7). In 1978-IV, nondurable goods accounted for \$3.6 billion, and durable goods accounted for \$1.5 billion.

TABLE 7.—Retail Sales, United States and Missouri Through Fourth Quarter, 1978

	United States			Missouri			U.S.	State	U.S.	State
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III— 1978-III		1977-III— 1978-III	1978-IV
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	147,630	218,828	4,942	4,484	4,483	5,106	18.3	11.2	11.2	13.7
Durable goods	62,065	71,573	n.a.	n.a.	3,333	1,529	11.8	—	15.3	—
Nondurable goods	124,945	147,447	n.a.	n.a.	2,150	3,576	9.6	—	9.2	—

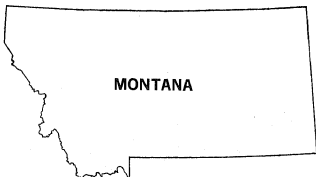
n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Missouri Through Fourth Quarter, 1978

	United States			Missouri			U.S.	State	U.S.	State
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III— 1978-III		1977-III— 1978-III	1978-IV
	Not seasonally adjusted						Percent change			
New business incorporations	199,411	n.a.	1,967	1,278	2,881	n.a.	6.2	8.1	—	—
Total number of business failures	1,884	n.a.	23	33	17	n.a.	-9.9	-28.1	—	—
Current liabilities (thousands of dollars)	654,296	n.a.	3,353	6,838	2,273	n.a.	-44.2	-91.2	—	—
Assets/liabilities now failures (thousands of dollars)	288	n.a.	140	318	134	n.a.	-34.4	-6.2	—	—
Items by industry										
FG	248	n.a.	3	2	3	n.a.	-19.1	0	—	—
.....	218	n.a.	5	2	4	n.a.	1.3	-26.8	—	—
.....	181	n.a.	1	3	0	n.a.	-27.1	—	—	—
.....	658	n.a.	3	7	9	n.a.	-6.2	.3	—	—
.....	238	n.a.	5	5	1	n.a.	-24.0	-80.0	—	—

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal Income

- Up 22.5% vs. 12.6% in U.S., to \$6.1 billion
- Farm personal income up 177.5% vs. 26.3% in U.S.
- Payrolls down slightly in durables manufacturing and Federal Government vs. U.S. increases

Employment

- Up 5.2% vs. 3.9% in U.S., to 339,000

Unemployment

- Down 2,000, to 18,000
- Rate down to 5.1% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts up 1.7% vs. 16.8% in U.S., to \$143.3 million
- Valuation of nonresidential contracts down 43.2% vs. 15.8% increase in U.S.
- Number of dwelling-unit starts down 3.6% vs. near stability in U.S., to 1,773

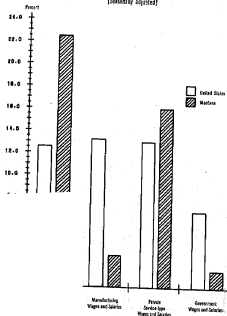
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 22.5 percent from 1977:IV to 1978:IV, almost 10 percentage points more than nationally (table 2). Montana's increase was the third largest in the Nation, after increases of 25.6 percent in Wyoming and 23.9 percent in North Dakota. In 1978:IV, Montana's personal income totaled \$6.1 billion, up \$1.1 billion since 1977:IV. Montana's increase in total personal income would have been considerably smaller had it not been for a 177.5-percent increase in farm personal income, the second largest increase in the Nation after Wyoming's. Nationally, farm personal income increased 26.3 percent. Montana's nonfarm personal income increased 12.6 percent from year to year, compared with a 12.3-percent national gain. Since the most recent national business cycle peak in 1973:IV, Montana's nonfarm economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 12 percent more than nationally, ranking Montana 22nd among all States.

Wage and salary disbursements (payrolls) from 1977:IV to 1978:IV increased 12.9 percent in the State versus 12.6 percent nationally. In 1978:IV, they totaled \$3.2 billion, up \$371 million since 1977:IV.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)



All components of Montana's private service-type industry registered payroll increases that exceeded national counterparts. Payrolls in transportation-communication-public utilities increased 19 percent in the State versus 11.3 percent nationally. Montana's increase in finance-insurance-real estate payrolls was one of the largest in the Nation. Similarly, Montana's 17.4-percent increase in finance-insurance-real estate payrolls was one of the largest in the Nation, comparing favorably with the national increase of 10.1 percent. Trade payrolls increased 17.8 percent in the State versus 10 percent nationally, and services payrolls increased 13.7 percent versus 12.7 percent nationally.

Construction payrolls increased 31.9 percent from year to year, or one-and-one-half times the national increase. Montana's increase ranked fourth in the Nation, after increases in Arizona, Nevada, and Hawaii. In the State's mining industry, payrolls increased 55.5 percent from year to year, compared with a 33.9-percent national increase. Montana's increase ranked fourth in the Nation.

In sharp contrast, Federal Government payrolls declined 1.9 percent in Montana versus a national increase of 7.1 percent; South Carolina was the only other State that registered a decline. State and local government payrolls increased 3.7 percent in the State, compared with 6.8-percent national increase.

Durable goods manufacturing payrolls declined 0.6 percent from year to year versus a national increase of 15.2 percent. Only one other State—Alaska—registered a decline, as did the District of Columbia. In contrast, Montana's nondurable goods manufacturing payrolls increased 10.2 percent from year to year, slightly more than nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 23.3 percent in Montana and 30.3 percent throughout the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

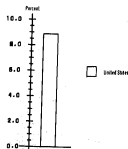


Chart 3.—Total Personal Income
(Seasonally adjusted)

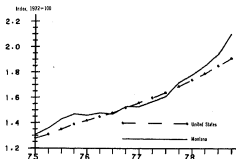


Chart 4.—Industrial Composition of Wages and Salaries: Montana
(Seasonally adjusted)

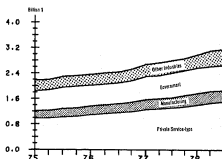


TABLE 2.—Personal Income, United States and Montana Through Fourth Quarter, 1978

	United States			Montana			U.S. State U.S.		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:IV—1978:IV
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²		
Total personal income	1,580,508	1,782,519	4,856	4,855	5,592	6,071	12.4	20.1	12.6
Farm personal income	30,224	36,451	101	298	472	626	47.9	366.9	26.3
Nonfarm personal income	1,550,284	1,746,068	4,755	4,557	5,120	5,245	11.9	12.4	12.3
Total personal income	1,580,508	1,782,519	4,856	4,855	5,592	6,071	12.4	20.1	12.6
Wage and salary disbursements	1,013,216	1,140,686	2,807	2,875	3,169	3,247	12.1	12.9	12.6
Other labor income	96,036	111,719	235	242	285	294	17.0	29.1	16.4
Proprietors' income	105,963	125,995	385	581	900	1,128	21.5	101.7	18.8
Partners	73,636	30,044	38	234	405	758	68.6	970.1	31.3
Partners	62,332	94,051	347	346	394	492	12.8	11.8	12.8
Dividends, interest, and rent	214,992	242,442	761	790	850	874	12.3	8.9	8.2
Transfer payments	215,944	233,750	475	685	736	743	8.9	8.9	8.2
State unemployment insurance benefits	11,828	7,753	36	35	31	27	-24.0	-13.7	-30.3
Less personal contributions	62,232	71,630	292	299	241	247	14.9	19.1	15.1
Plus residence adjustment	-403	-473	-5	-5	-6	-6	---	---	---
Wage and salary disbursements	1,013,216	1,140,686	2,807	2,875	3,169	3,247	12.1	12.9	12.6
Farm	7,176	7,539	62	62	65	67	8.5	9.1	10.6
Nonfarm	1,006,040	1,132,717	2,745	2,813	3,104	3,179	12.1	13.1	12.6
Mining	14,048	18,803	93	101	150	197	25.5	66.2	33.9
Construction	55,648	66,858	226	206	270	274	16.1	18.6	20.1
Manufacturing	276,112	312,570	319	358	358	395	12.1	12.3	13.1
Durable goods	176,216	203,053	213	241	235	269	13.7	16.3	15.2
Non-durable goods	99,896	109,517	106	114	123	126	8.4	16.4	10.0
Private service-type	455,764	515,348	1,318	1,363	1,515	1,583	12.8	15.0	13.8
Transportation, communication, and public utilities	76,594	85,254	314	319	348	370	10.4	10.9	11.3
Wholesale and retail trade	170,888	195,025	527	540	611	635	13.6	16.1	14.1
Finance, insurance, and real estate	54,452	61,653	112	117	131	137	14.1	17.2	18.2
Services	153,840	173,396	385	367	425	460	12.6	16.3	12.7
Government	241,252	215,083	182	178	961	790	7.4	2.5	6.9
Federal	68,176	73,683	254	182	279	276	7.3	6.0	7.1
State and local	133,076	141,400	519	496	522	514	7.5	7.7	6.8
Other	3,218	3,865	8	9	10	10	18.7	18.8	14.8

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Map Division.

TABLE 3.—Consumer Price Index, United States and Montana Through Fourth Quarter, 1978¹

	United States			Montana			U.S. State U.S.		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:IV—1978:IV
	Index, 1967=100, not seasonally adjusted						Percent change		
U.S. city average ²	105.3	201.9	---	---	---	---	7.5	---	8.3

1. Consumer Price indexes are shown for the most refined SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1976, and revised data are used for subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Montana's civilian labor force increased 4.4 percent versus 3.1 percent nationally (table 4). Total employment increased 5.2 percent versus 3.9 percent nationally, to 339,000.

With employment increasing by 17,000 and the labor force increasing by 15,000, the number of unemployed declined by 2,000, to 18,000. Montana's unemployment rate fell 0.7 percentage point, to 5.1 percent of the labor force. The national unemployment rate in 1978:IV was 5.5 percent, also down 0.7 percentage point from the 1977:IV level.

According to preliminary data for December 1978, when the State's unemployment rate was 5.8 percent, the unemployment rate was 3.8 percent in Great Falls and 4.4 percent in Billings. The Great Falls rate was 0.9 percentage point more than in December 1977, and the Billings rate was only 0.1 percentage point more.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Montana

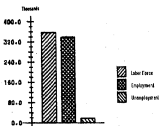


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

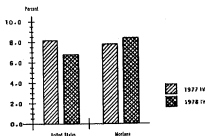


TABLE 4.—Labor Force, United States and Montana Through Fourth Quarter, 1978

	UNITED STATES						MONTANA		U.S. STATE		U.S.	
	United States			Montana			U.S. State		U.S.			
	1977:IV	1978:IV	1978:II	1977:IV	1978:II	1978:IV	1977:III-1978:III	1977:IV-1978:IV				
	Thousands of persons, not seasonally adjusted ¹						Percent change ²					
Employees on nonagricultural payrolls	84,216	87,708	277	278	280	281	4.3	4.1	4.2			
Mining	787	889	6	6	7	8	3.2	23.7	14.2			
Construction	4,032	4,488	19	16	19	17	10.4	2.1	11.3			
Manufacturing	32,896	32,722	36	26	27	26	3.1	5.4	3.7			
Transportation, communication, and public utilities	4,761	4,571	21	21	22	23	3.8	7.2	4.4			
Wholesale and retail trade	39,152	39,015	18	60	75	73	5.5	6.4	4.5			
Finance, insurance, and real estate	4,852	4,756	12	11	12	12	4.8	7.0	-2.0			
Services	15,539	16,215	52	49	56	52	4.6	5.8	4.4			
Government	15,434	15,856	73	72	71	70	2.1	-2.4	1.4			
Civilian labor force	96,581	101,615	384	342	378	357	3.2	3.9	3.1			
Total employed	32,442	36,810	343	322	358	339	4.1	4.5	3.9			
Total unemployed	6,149	5,605	21	26	20	18	-9.8	-5.2	-8.0			
Percent unemployed	6.2	5.5	5.7	5.8	5.2	5.1						

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more recent data. This causes a break in the series, and sums are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

April 1979

Chart 7.—Civilian Labor Force

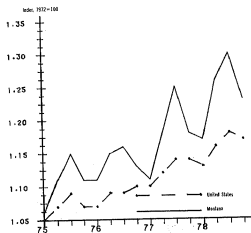


Chart 8.—Civilian Employment

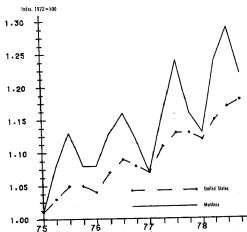


Chart 9.—Unemployment Rate

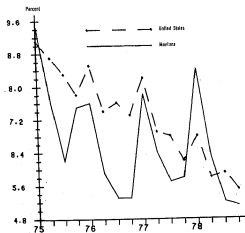
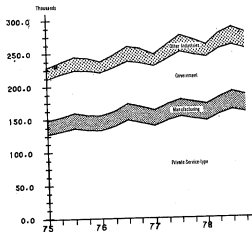


Chart 10.—Industrial Composition of Nonagricultural Employment: Workforce



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Montana Through Fourth Quarter, 1978

	United States			Montana			95	96	97
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III	1978:III	1978:IV
	Billions of dollars, not seasonally adjusted ¹						Percent change ²		
Total loans	609,592	n.a.	2,382	2,462	2,799	n.a.	16.3	18.1	...
Commercial and industrial	196,317	n.a.	573	596	685	n.a.	14.2	19.6	...
Loans to individuals	140,999	n.a.	662	697	799	n.a.	20.2	22.1	...
Real estate	177,935	n.a.	643	665	765	n.a.	15.9	18.1	...
Residential	191,236	n.a.	427	441	502	n.a.	18.3	17.4	...
Farmers	7,723	n.a.	25	28	31	n.a.	10.7	19.0	...
Other	93,568	n.a.	293	195	231	n.a.	19.0	21.7	...
Farmers, excluding real estate	35,794	n.a.	471	484	582	n.a.	6.8	6.6	...
Other	69,947	n.a.	43	41	41	n.a.	8.0	4.7	...
Total deposits	825,911	n.a.	3,411	3,600	3,758	n.a.	11.5	18.4	...
Demand	377,683	n.a.	1,698	1,826	1,896	n.a.	10.2	9.9	...
Time and savings	547,828	n.a.	2,313	2,375	2,344	n.a.	17.3	12.5	...

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased only 1.7 percent (\$2.4 million), to \$143.3 million (table 6). Thirty-nine States registered larger increases. The national increase was 16.8 percent. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the total valuation of contracts in Montana sustained a real decline of about 11 percent versus a real increase in the Nation of about 4 percent.

Nonresidential contracts declined 43.2 percent in valuation versus a 15.8-percent national increase. Montana's decline was exceeded only in Mississippi and the District of Columbia, which registered 50.3-percent and 55.2-percent declines, respectively.

The valuation of street and highway contracts, a major component nonbuilding contracts, declined 38.7 percent versus a 16.3-percent decline nationally. Total nonbuilding contracts increased 10.7 percent in valuation versus 22.2 percent nationally.

Residential housekeeping contracts increased 42.2 percent in valuation compared with a 15.6-percent national increase. The number of dwelling units started, in contrast, declined 3.6 percent, to 1,773 units. Nationally, the number of dwelling units started was almost unchanged at a high level. The valuation of residential housekeeping additions and alterations increased 19.5 percent in Montana versus 14.6 percent nationally.

Chart 14.—Construction Contracts—Total Valuation

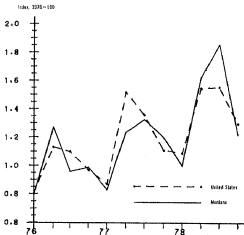


Chart 15.—Construction Contracts—Valuation of Contracts by Type Montana

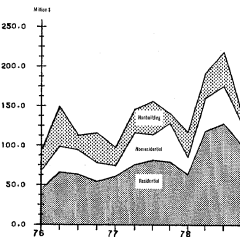


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

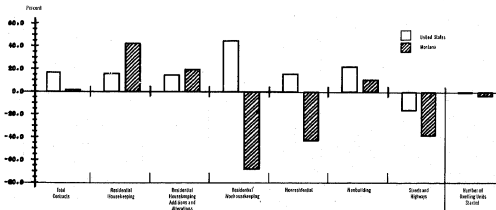


TABLE 6.—Construction Contracts, United States and Montana Through Fourth Quarter, 1978¹

	United States			Montana			U.S.		State		
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III— 1978-III		1977-III— 1978-III		1977-IV— 1978-IV
	Not seasonally adjusted						Percent change ²				
Total valuation of contracts	36,913,111	45,450,273	156,417	149,578	215,264	143,343	14.5	43.2	16.8	1.3	
Residential housekeeping, additions and alterations											
Valuation (thousands of dollars)	1,707,987	8,832,263	28,171	25,435	30,695	20,359	16.8	8.8	14.5	15.5	
All other contracts											
Number of contracts	42,799	56,518	330	311	325	285	4.4	-1.5	-9.1	-7.4	
Valuation (thousands of dollars)	31,295,124	26,627,420	138,246	115,540	186,790	112,944	14.0	47.2	17.4	-2.2	
Floor area (thousands of square feet)	881,453	971,596	3,222	3,321	4,424	3,259	10.8	37.6	10.2	-2.4	
Residential housekeeping											
Number of contracts	14,825	14,192	121	106	179	180	-5.1	4.7	-4.3	8.4	
Valuation (thousands of dollars)	445,772	443,075	1,231	1,825	2,325	1,773	1.0	33.9	-6	-3.5	
Floor area (thousands of square feet)	14,879,556	17,158,518	49,519	46,194	85,363	69,842	15.3	72.4	15.6	47.2	
Residential nonhousekeeping											
Number of contracts	579,733	541,798	1,897	1,808	2,043	2,394	19.3	51.4	19.7	32.4	
Valuation (thousands of dollars)	567	595	5	4	3	4	-16.0	-48.0	4	0	
Floor area (thousands of square feet)	338,837	490,278	4,194	4,841	12,451	1,530	9.4	19.5	44.8	-6.4	
All other contracts	8,467	16,568	178	127	258	55	-7	48.0	24.7	-60.2	
Number of contracts	20,156	27,095	96	897	71	69	-2.5	-28.0	-12.0	-36.7	
Valuation (thousands of dollars)	9,354,415	10,816,709	30,279	45,385	47,578	28,059	27.4	47.4	15.3	-43.2	
Floor area (thousands of square feet)	253,293	319,243	1,722	1,385	1,227	801	12.2	4	8.9	-42.7	
Nonbuilding											
Number of contracts	16,791	15,178	58	32	72	25	22.4	24.1	-5.1	9.4	
Valuation (thousands of dollars)	6,852,476	8,127,854	42,548	32,211	43,317	13,532	-1	2.5	22.2	10.7	
Streets and highways											
Number of contracts	4,586	4,090	28	11	30	10	3.3	-16.7	-17.8	-9.1	
Valuation (thousands of dollars)	2,388,681	1,591,340	31,227	5,406	26,922	3,343	3.0	-33.8	-18.1	-38.7	

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Data for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Montana are not available.

TABLE 7.—Retail Sales, United States and Montana Through Fourth Quarter, 1978

	United States			Montana			U.S.		State		
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III— 1978-III		1977-III— 1978-III		1977-IV— 1978-IV
	Millions of dollars, not seasonally adjusted						Percent change				
Retail sales	187,830	225,920	n.a.	n.a.	n.a.	n.a.	30.3	—	11.2	—	—
Durable goods	62,065	71,533	n.a.	n.a.	n.a.	n.a.	11.8	—	15.1	—	—
Nondurable goods	124,965	147,447	n.a.	n.a.	n.a.	n.a.	9.8	—	9.2	—	—

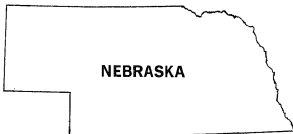
n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Montana Through Fourth Quarter, 1978

	United States			Montana			U.S.		State		
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III— 1978-III		1977-III— 1978-III		1977-IV— 1978-IV
	Not seasonally adjusted						Percent change				
New business incorporations											
Total number of business failures	195,411	n.a.	338	348	320	n.a.	8.2	-5.3	—	—	—
Current liabilities (thousands of dollars)	1,484	n.a.	5	8	7	n.a.	-9.5	46.9	—	—	—
Average liability per failure (thousands of dollars)	484,296	n.a.	319	1,342	368	n.a.	-44.2	15.7	—	—	—
Business failures by industry											
Mining and manufacturing	243	n.a.	0	0	2	n.a.	-10.1	—	—	—	—
Construction	319	n.a.	1	4	1	n.a.	1.0	—	—	—	—
Wholesale trade	191	n.a.	2	6	9	n.a.	-27.1	—	—	—	—
Retail trade	688	n.a.	2	4	3	n.a.	-4.2	50.0	—	—	—
	218	n.a.	0	0	1	n.a.	-24.0	—	—	—	—

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income

- Up 10.7% vs. 12.6% in U.S., to \$12.2 billion
- Farm personal income up only 4.3% vs. 26.3% in U.S.
- Payrolls up 17.5% in manufacturing vs. 13.3% in U.S.

Consumer prices

- Up 8.4% in Kansas City vs. 8.9% in U.S.

Employment

- Up 4.4% vs. 3.9% in U.S., to 757,000

Unemployment

- Down 5,000, to 23,000
- Rate down to 2.9% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts down 4.4% vs. 16.8% increase in U.S., to \$278.3 million
- Valuation of nonresidential contracts down 38.9% vs. 15.8% increase in U.S.
- Number of dwelling-unit starts up 1.6% vs. near stability in U.S., to 3,156

TABLE 1.—Summary of Economic Indicators, United States and Nebraska Through Fourth Quarter, 1978

	United States			Nebraska			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,581,500	1,787,519	15,461	33,626	31,493	32,280	12.4	9.9	12.6	10.3
Total wages and salaries (millions of dollars)	1,033,216	1,140,696	6,151	6,368	6,788	6,996	12.1	10.3	12.6	10.3
Civilian employment (thousands)	82,642	95,610	750	725	764	757	4.1	1.9	3.9	1.9
Unemployment (thousands)	6,149	5,935	27	28	22	22	-8.8	-17.9	-8.9	-17.9
Percent unemployed (unemployment/labor force)	6.2	5.5	3.5	3.7	2.8	2.3	—	—	—	—
Total loans (millions of dollars)	610,562	n.a.	4,968	4,923	5,371	n.a.	16.2	8.3	—	—
Total deposits (millions of dollars)	925,511	n.a.	8,847	7,385	7,672	n.a.	11.5	12.1	—	—
Total valuation of construction contracts (thousands of dollars)	38,913,111	45,459,773	316,335	291,622	656,659	278,214	14.5	307.6	16.8	—
Dwelling units started (number)	445,772	463,675	3,546	3,187	4,229	3,156	1.8	17.9	-6	—
Total retail sales (millions of dollars)	197,030	219,820	n.a.	n.a.	n.a.	n.a.	18.2	—	11.2	—
New business incorporations (number)	398,411	n.a.	619	667	666	n.a.	8.2	8.5	—	—
Business failures (number)	1,684	n.a.	9	18	4	n.a.	-8.5	-35.6	—	—
Consumer Price Index (1967=100)	185.3	201.8	—	—	—	—	7.8	—	8.9	—
U.S. city average	185.3	201.8	—	—	—	—	7.8	—	8.9	—
Lincoln City	—	—	180.6	182.7	194.2	198.1	—	7.8	—	—

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 10.7 percent from 1977:IV to 1978:IV versus 12.6 percent nationally (table 2). Nebraska's increase was one of the smallest in the Nation. In 1978:IV, the State's personal income totaled \$12.2 billion, up \$1.2 billion since 1977:IV. Nebraska's increase in personal income would have been larger had it not been for an increase in farm personal income of only 4.3 percent, compared with a 26.3-percent national increase. The State's nonfarm personal income increased 11.2 percent from year to year versus 12.3 percent nationally. Since the most recent national business cycle peak in 1973:IV, Nebraska's nonfarm economy has grown more slowly than the Nation's; the increase in the State's nonfarm income was 3 percent less than nationally, ranking Nebraska 36th among all States.

From 1977:IV to 1978:IV, the Consumer Price Index for the Kansas City metropolitan area increased 8.4 percent versus an 8.9-percent national city average increase (table 3). If Kansas City's index is used as an

indicator for price movements in the State, real total personal income in Nebraska increased only 2.3 percent from year to year versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 11.5 percent, 1.1 percentage points less than nationally. In 1978:IV, they totaled \$7.0 billion, up \$722 million since 1977:IV.

Payrolls in wholesale and retail trade increased 11.5 percent versus 14.1 percent nationally, and services payrolls increased 11.5 percent versus 12.7 percent nationally. In contrast, payrolls in transportation-communication-public utilities increased 13.6 percent versus 11.3 percent nationally, and payrolls in finance-insurance-real estate increased 13.5 percent versus 13.2 percent nationally.

State and local government payrolls increased only 3.2 percent in Nebraska, one of the smallest increases in the Nation; the national increase was 6.8 percent. In contrast, Federal Government payrolls increased 8.2 percent in the State versus 7.1 percent in the Nation.

Construction payrolls increased 12.4 percent in Nebraska and 20.1 percent nationally. The State's increase was one of the smallest in the Nation.

In contrast, the State's 21.5-percent increase in durable goods manufacturing payrolls far outpaced the national increase of 15.2 percent; Nebraska's increase was one of the largest among all States, and it accounted for 18 percent of the year-to-year increase in all payrolls in Nebraska. Nondurable goods manufacturing payrolls increased 12.9 percent from year to year, 2.9 percentage points more than nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 38.5 percent in Nebraska and 30.3 percent nationally.

Chart 1—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)

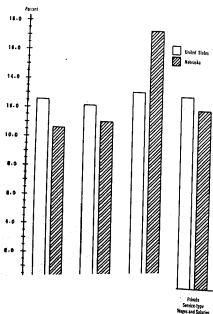


Chart 2—Consumer Price Index, Percent Change, 1977:IV—1978:IV

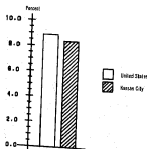


Chart 3.—Total Personal Income
(Seasonally adjusted)

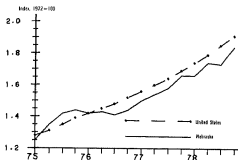


Chart 4.—Industrial Composition of Wages and Salaries: Nebraska
(Seasonally adjusted)

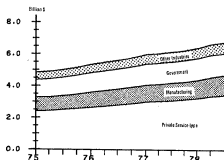


TABLE 2.—Personal Income, United States and Nebraska Through Fourth Quarter, 1978

	United States			Nebraska			U.S. State U.S.		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:IV—1978:IV
	Billions of dollars, seasonally adjusted at annual rates ¹						Percent change ²		
Total personal income	1,563,588	1,782,519	18,461	11,025	13,491	12,293	12.4	9.8	12.6
Form personal income	31,214	39,451	553	903	540	943	47.9	-2.4	26.3
Nonfarm personal income	1,552,294	1,743,068	9,007	10,123	10,951	11,780	11.9	10.1	17.3
Total personal income	1,563,588	1,782,519	10,451	11,025	11,491	12,293	12.4	9.8	12.6
Wage and salary disbursements	1,363,714	1,514,696	6,151	6,388	6,788	6,980	12.1	10.1	17.6
Other labor income	90,014	111,719	547	563	635	654	12.0	14.1	16.4
Proprietors' income	105,953	125,985	1,189	1,520	1,731	1,648	21.5	5.7	18.9
Farm	23,635	31,344	383	727	343	756	66.6	-7.8	31.3
Nonfarm	82,317	94,551	772	764	858	893	12.8	12.5	15.3
Dividends, interest, and rent	214,692	242,442	1,866	1,399	1,981	2,134	12.3	10.3	12.8
Transfer payments	215,944	235,750	1,276	1,314	1,394	1,425	6.6	9.5	8.2
State unemployment insurance benefits	11,128	7,753	25	39	18	24	-24.0	-26.8	-30.3
Loss: personal contributions	52,212	71,610	437	442	490	595	14.8	13.0	15.1
Plus: residence adjustment	-491	-473	-127	-128	-142	-144	---	---	---
Wage and salary disbursements	1,012,210	1,148,696	4,151	6,388	6,788	6,980	12.1	10.1	17.6
Farm	7,776	7,538	156	162	173	187	8.5	11.0	14.0
Nonfarm	1,004,940	1,132,757	5,995	6,105	6,615	6,660	12.1	10.3	17.6
Mining	14,046	14,813	22	21	22	22	26.5	3.3	33.9
Manufacturing	35,948	69,858	424	423	482	476	19.1	15.8	20.1
Durable goods	278,132	302,570	1,103	1,109	1,258	1,363	12.1	13.8	13.3
Nondurable goods	176,216	283,053	556	591	671	718	13.7	14.5	15.2
Private service	99,896	109,917	618	518	589	585	9.4	13.9	18.0
Transportation, communication, and public utilities	455,764	515,948	3,187	3,175	3,456	3,582	12.8	11.2	13.1
Wholesale and retail trade	76,584	85,264	653	687	718	757	10.4	10.9	11.3
Finance, insurance, and real estate	170,888	189,026	1,249	1,281	1,387	1,495	13.6	9.4	14.1
Services	54,455	61,603	393	412	457	467	14.1	10.2	13.2
Government	201,257	173,596	812	836	915	932	12.8	12.7	12.7
Federal	68,170	72,020	417	436	450	472	7.3	9.7	7.1
State and local	133,876	142,880	910	925	918	954	7.5	9.9	6.8
Other	3,216	3,685	16	16	39	18	18.7	14.5	14.6

1. Detail may not add in totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Nebraska Through Fourth Quarter, 1978¹

	United States			Nebraska			U.S. State U.S.		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:IV—1978:IV
	Index, 1967=100, not seasonally adjusted						Percent change		
U.S. city average ²	105.2	102.8	---	---	---	---	7.9	---	8.9
Nebraska City	---	---	100.6	102.7	104.3	106.1	---	7.0	---

1. Consumer Price Indexes are shown for the most relevant SMSAs for which data are available.
 2. Average for 35 representative urban areas based on the 1970 Census of Population.
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and rounded data are used for subsequent quarters. Users are advised to exercise caution when making comparisons over time.

STATE QUARTERLY ECONOMIC DEVELOPMENTS

Labor Force

from 1977:IV to 1978:IV, Nebraska's civilian labor force increased 3.6 percent versus 3.1 percent nationally (Table 4). Total employment increased 4.4 percent versus 3.9 percent nationally, to 757,000.

With employment increasing by 32,000 and the labor force increasing by 32,000, the number of unemployed declined by 5,000, to 23,000. Nebraska's unemployment rate declined 0.8 percentage point, to 2.9 percent of the labor force, the third lowest rate in the Nation after the

2.6-percent rates registered in Kansas and South Dakota. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Preliminary data for December 1978, when the State's unemployment rate was 3.1 percent, show unemployment rates of 3.6 percent in Omaha and 2.5 percent in Lincoln, both down fractionally from December 1977 levels.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV; Nebraska

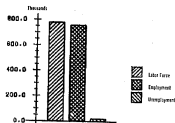


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

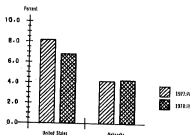


TABLE 4.—Labor Force, United States and Nebraska Through Fourth Quarter, 1978

	United States			Nebraska			U.S.		State		U.S.		State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:IV—1978:III		1977:IV—1978:IV		1977:IV—1978:III		1977:IV—1978:IV	
							In thousands of persons, not seasonally adjusted ^a						Percent change ^b	
persons	84,210	87,706	588	598	604	606	4.3	2.8	4.2	2.4				
in manufacturing and construction	787	899	2	2	2	2	8.2	.0	14.2	.0				
in nonmanufacturing and services	4,632	4,486	35	32	37	33	18.4	6.4	11.3	2.2				
in agriculture	18,986	20,722	91	91	94	96	3.1	2.9	3.7	4.7				
in government	4,761	4,371	43	42	45	45	3.8	4.2	4.4	6.2				
in health, education, and social services	19,102	20,915	154	156	156	159	5.3	1.8	4.5	1.9				
in other services	4,852	4,755	30	38	39	39	4.8	2.8	-2.0	2.6				
in government	15,039	16,215	102	102	105	100	4.6	1.5	4.6	3.2				
in other services	15,434	15,695	124	127	125	126	2.1	1.8	1.4	-7				
total	84,581	88,616	778	752	787	778	3.2	1.2	3.1	3.6				
in manufacturing and construction	92,442	96,010	750	725	764	757	4.1	1.5	3.9	4.4				
in nonmanufacturing and services	6,149	5,605	27	28	22	23	-9.8	-17.8	-8.5	-18.3				
in agriculture	6.2	6.5	3.5	3.7	2.8	2.9								

because of rounding.

data are being estimated by new methods, using more current data. This is advised to exercise caution when making comparisons over time.

U.S. Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

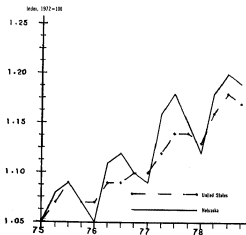


Chart 8.—Civilian Employment

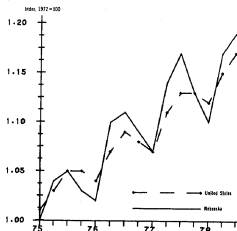


Chart 9.—Unemployment Rate

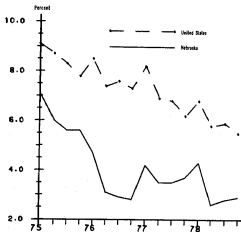
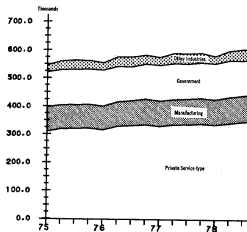


Chart 10.—Industrial Composition of Nonagricultural Employment: Nebraska



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Nebraska Through Fourth Quarter, 1978

	United States			Nebraska			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III- 1978:IV		1977:III- 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	620,902	n.a.	4,958	4,933	5,371	n.a.	16.3	8.3	---	---
Commercial and industrial loans to individuals	156,317	n.a.	1,074	1,066	1,174	n.a.	14.2	9.2	---	---
Real estate	146,599	n.a.	1,382	1,316	1,322	n.a.	38.2	13.6	---	---
Residential	177,936	n.a.	637	646	764	n.a.	35.3	12.4	---	---
Farm	181,236	n.a.	280	289	310	n.a.	21.3	15.2	---	---
Other	2,731	n.a.	36	36	39	n.a.	10.7	3.7	---	---
Loans, excluding real estate	65,968	n.a.	271	281	296	n.a.	19.0	9.0	---	---
Other	23,764	n.a.	1,968	1,883	2,613	n.a.	6.8	2.2	---	---
Total deposits	69,747	n.a.	204	202	258	n.a.	8.6	25.3	---	---
Time and savings	925,511	n.a.	6,047	7,195	7,672	n.a.	13.5	22.1	---	---
Time and savings	377,683	n.a.	2,522	2,851	2,858	n.a.	10.2	11.7	---	---
Time and savings	347,828	n.a.	4,325	4,444	4,814	n.a.	12.3	12.2	---	---

1. Total may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts declined 4.4 percent (\$12.7 million), to \$278.3 million (table 6). Nebraska's decline was one of the largest in the Nation. Nationally, the total valuation of construction contracts increased 16.8 percent.

National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the total valuation of contracts in Nebraska sustained a real decline of about 17 percent versus a real increase in the Nation of about 4 percent.

Nonresidential contracts declined 38.9 percent in valuation, compared with a 15.8-percent national increase. Nebraska's decline was one of the largest in the Nation.

Nonbuilding contracts declined 17.1 percent in valuation, compared with a national increase of 22.2 percent. The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 45.1 percent versus a 16.3-percent decline nationally.

Residential housekeeping contracts, in contrast, increased 26.5 percent in valuation versus 15.6 percent nationally. The number of dwelling units started increased 1.6 percent in the State, to 3,156 units. Nationally, the number of dwelling units started was almost unchanged at a level. Residential housekeeping additions and alterations increased 14.6 percent in valuation, compared with a national increase of 14.6 percent.

Chart 14.—Construction Contracts—Total Valuation

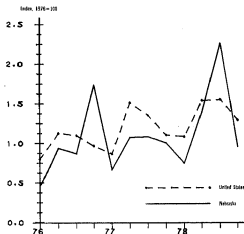


Chart 15.—Construction Contracts—Valuation of Contracts by Type, Nebraska

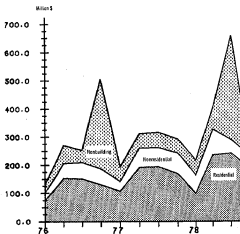


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

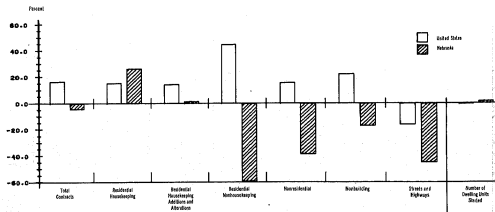


TABLE 6.—Construction Contracts, United States and Nebraska Through Fourth Quarter, 1978¹

	United States			Nebraska			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Not seasonally adjusted						Percent change ²			
Total value of contracts.....	36,983,111	45,456,773	316,335	291,072	656,850	276,314	34.5	107.6	16.8	-4.4
Residential housekeeping, additions, and alterations.....	7,707,547	8,832,353	73,315	67,433	83,043	68,431	16.8	12.7	14.6	1.5
Value (thousands of dollars).....	62,789	56,828	1,016	882	799	710	4.4	-21.4	-9.3	-19.5
Area (thousands of square feet).....	36,335,124	34,627,426	242,850	233,589	573,465	269,883	14.0	136.4	17.4	-6.1
Residential nonhousekeeping.....	881,453	971,544	6,433	4,448	7,741	5,735	10.8	20.5	18.2	-10.5
Value (thousands of dollars).....	14,885	14,182	314	321	324	308	-5.1	2.5	-4.3	1.6
Area (thousands of square feet).....	445,772	443,475	3,580	3,187	4,239	3,158	1.0	17.9	-1.4	1.6
Nonresidential.....	14,879,598	17,198,518	118,883	95,820	158,714	132,454	15.3	33.5	15.4	26.5
Value (thousands of dollars).....	579,733	641,706	4,476	3,704	5,888	4,534	10.3	31.2	36.7	22.4
Area (thousands of square feet).....	567	565	4	5	4	5	-10.0	.6	-4	.0
Nonresidential housekeeping.....	338,637	496,273	1,251	3,813	216	1,541	9.4	-82.7	44.8	-59.6
Value (thousands of dollars).....	8,447	10,569	43	91	1	7	-7	-93.2	24.7	-92.0
Area (thousands of square feet).....	30,756	27,855	303	381	190	173	-2.5	-42.4	-12.0	-38.4
Value (thousands of dollars).....	10,810,760	67,098	79,521	47,937	44,803	27.6	-30.1	18.8	-38.9	-54.3
Area (thousands of square feet).....	293,263	319,240	1,884	2,612	1,843	1,394	12.2	-2.2	8.9	-17.1
Value (thousands of dollars).....	16,701	15,176	377	276	281	206	22.4	-25.6	-9.1	-25.1
Area (thousands of square feet).....	6,682,476	8,127,464	54,498	49,628	367,149	44,963	-3	573.8	22.2	-17.1
Value (thousands of dollars).....	4,586	4,699	185	99	121	68	8.3	-26.7	-17.8	-31.3
Area (thousands of square feet).....	2,368,681	1,301,341	29,763	25,427	39,840	13,966	3.0	-53.2	-14.5	-45.1

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. M. Dodge Division, McGraw-Hill Information Systems Company.
NOTE: Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Nebraska are not available.

TABLE 7.—Retail Sales, United States and Nebraska Through Fourth Quarter, 1978

	United States			Nebraska			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Billions of dollars, not seasonally adjusted						Percent change			
Retail sales.....	187,430	219,620	n.a.	n.a.	n.a.	n.a.	18.3	---	11.2	---
Durable goods.....	62,865	71,573	n.a.	n.a.	n.a.	n.a.	11.8	---	15.3	---
Nondurable goods.....	124,565	147,447	n.a.	n.a.	n.a.	n.a.	9.6	---	9.2	---

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Nebraska Through Fourth Quarter, 1978

	United States			Nebraska			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Not seasonally adjusted						Percent change			
New business incorporations.....	306,411	n.a.	629	607	660	n.a.	8.2	6.5	---	---
Total number of business failures.....	1,644	n.a.	9	39	4	n.a.	-9.5	-95.6	---	---
Average liability per failure (thousands of dollars).....	484,296	n.a.	2,015	2,101	1,560	n.a.	-64.2	-22.6	---	---
Business failures by industry.....	288	n.a.	234	230	599	n.a.	-58.4	74.1	---	---
Mining and manufacturing.....	248	n.a.	2	2	1	n.a.	-30.1	-50.0	---	---
Construction.....	319	n.a.	3	2	1	n.a.	1.0	-66.7	---	---
Wholesale trade.....	191	n.a.	0	2	0	n.a.	-27.1	---	---	---
Retail trade.....	688	n.a.	2	1	7	n.a.	-4.2	.4	---	---
Commercial services.....	238	n.a.	2	1	0	n.a.	-74.0	---	---	---

n.a.: Data not available.
Source: Dun & Bradstreet, Inc.

NOTE: This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

NEVADA

Highlights

1977:IV to 1978:IV

Personal income

- Up 18.4% vs. 12.6% in U.S., to \$6.3 billion
- Manufacturing payrolls up 27.3%, largest gain in U.S.
- Private service-type payrolls up 20.3% vs. 13.1% in U.S.

Employment

- Up 3.4% vs. 3.9% in U.S., to 318,000

Unemployment

- Down 8,000, to 14,000
- Rate down 2.3 percentage points, to 4.3% of labor force vs. 5.5% in U.S.

Construction

- Total valuation of contracts up 27.9% vs. 16.8% in U.S., to \$321 million
- Number of dwelling-unit starts up 12.3% vs. near stability in U.S., to 4,238

TABLE 1.—Summary of Economic Indicators, United States and Nevada Through Fourth Quarter, 1978

	United States			Nevada			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1978:III	1978:II	1978:I	1977:III—1978:III		%
	All indicators, except income, not seasonally adjusted						Percent change		
Total personal income (millions of dollars)	1,583,568	1,782,519	5,111	5,347	4,895	6,333	12.4	18.5	
Total wages and salaries (millions of dollars)	1,033,236	1,340,896	3,743	3,946	4,515	4,297	12.1	20.6	
Civilian employment (thousands)	82,442	86,810	308	308	329	318	4.1	6.9	
Unemployment (thousands)	6,149	5,805	21	22	13	14	-9.8	-36.5	
Percent unemployed (unemployment/labor force)	6.2	5.5	6.3	6.6	3.9	4.3	---	---	
Total loans (millions of dollars)	603,562	n.a.	1,405	1,534	1,872	n.a.	16.3	27.8	
Total deposits (millions of dollars)	925,511	n.a.	2,331	2,431	2,799	n.a.	11.5	28.1	
Total valuation of construction contracts (thousands of dollars)	30,813,111	45,459,773	247,966	250,832	477,138	328,782	14.5	92.4	
Dwelling units started (number)	445,772	443,075	4,046	3,773	4,376	4,238	1.6	8.2	
Total retail sales (millions of dollars)	197,638	219,820	n.a.	n.a.	n.a.	n.a.	11.3	---	
New business incorporations (number)	108,411	n.a.	1,421	1,362	1,580	n.a.	8.2	5.6	
Business failures (number)	1,684	n.a.	4	5	5	n.a.	-0.5	25.0	
Consumer Price Index (1967=100): U.S. city average	385.3	201.8	---	---	---	---	7.9	---	

n.a.: Data not available.

Source: See Tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Nevada increased 18.4 percent from 1977:IV to 1978:IV, leading the Nation's gain by almost 6 percentage points and ranking fourth among all State gains (table 2). In 1978:IV, Nevada's personal income totaled \$6.3 billion, up \$1.0 billion since 1977:IV.

Since the last national business cycle peak in 1973:IV, Nevada's economy has grown at one of the fastest rates in the Nation; the increase in the State's nonfarm income was 39 percent more than nationally, ranking Nevada third among all States.

Wage and salary disbursements (payrolls) in Nevada increased 20.1 percent from 1977:IV to 1978:IV, far exceeding the Nation's 12.6-percent gain and ranking second (after Wyoming's) among all State

gains. Payrolls in private service-type industries increased 20.3 percent versus 13.1 percent nationally, to \$3.0 billion. Payroll increases in all private service-type industries were among the largest increases in the Nation. Trade payrolls increased 24.7 percent, 10 percentage points above the Nation's average increase. Services payrolls increased 19.1 percent versus 12.7 percent nationally, and transportation-communication-public utilities payrolls increased 18.8 percent versus 11.3 percent nationally.

Payrolls in construction increased 38.6 percent, more than in any other major industry in the State, to \$535 million; the State's construction increase far outpaced the Nation's 20.1-percent increase and ranked second (after Arizona's) among all States. Manufacturing payrolls increased 27.3 percent, which led all other State gains in the Nation and was twice the national average gain.

State and local government payrolls in Nevada increased 10.2 percent, to \$518 million; nationally, the gain was 6.8 percent. Federal Government payrolls increased 7.7 percent, marginally above the Nation's gain of 7.1 percent, to \$297 million.

State unemployment insurance benefits declined 27.9 percent from year to year, to \$31 million. Nationally, they declined 30.3 percent.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)

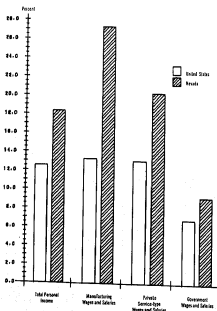


Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

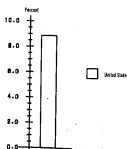


Chart 3.—Total Personal Income
(Seasonally adjusted)

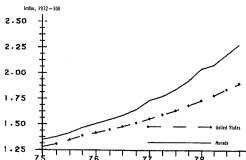


Chart 4.—Industrial Composition of Wages and Salaries: Nevada
(Seasonally adjusted)

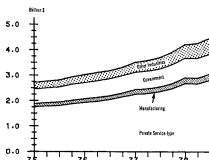


TABLE 2.—Personal Income, United States and Nevada Through Fourth Quarter, 1978

	United States		Nevada			U.S. State U.S.			
						1977:III—1978:II			
	1977:IV	1978:IV	1977:III	1978:IV	1978:III	1977:III	1978:II	1977:III—1978:II	
	Millions of dollars, seasonally adjusted at annual rates ¹					Percent change ²			
Total personal income	1,503,508	1,782,519	5,111	5,347	6,855	6,333	12.4	18.5	12.6
Farm personal income	30,224	38,451	32	41	53	88	47.8	68.2	28.3
Nonfarm personal income	1,532,284	1,743,988	5,079	5,306	6,801	6,245	11.9	18.2	12.7
Total personal income	1,503,508	1,782,519	5,111	5,347	6,855	6,333	12.4	18.5	12.6
Wage and salary disbursements	1,312,216	1,448,696	3,743	3,946	4,515	4,191	12.1	28.8	12.6
Other labor income	96,016	111,719	219	233	274	287	17.8	25.3	16.4
Proprietors' income	105,953	125,985	226	249	285	311	21.5	26.2	18.9
Farm	23,636	30,444	8	16	27	41	66.8	245.5	31.3
Nonfarm	82,317	94,951	218	224	258	270	12.8	18.4	15.3
Dividends, interest, and rent	214,992	242,442	634	830	720	743	12.3	13.5	12.8
Transfer payments	215,944	233,750	599	604	647	658	8.8	1.3	8.2
State unemployment insurance benefits	11,128	7,753	48	43	37	31	-24.8	-32.9	-30.5
Less: personal contributions	62,212	74,410	287	217	288	268	14.8	24.7	15.1
Plus: residence adjustment	-401	-423	-193	-196	-178	-135	—	—	—
Wage and salary disbursements	1,312,216	1,448,696	3,743	3,946	4,515	4,191	12.1	28.8	12.6
Farm	7,176	7,939	23	24	27	85	16.5	10.6	10.6
Nonfarm	1,305,040	1,440,757	3,720	3,921	4,488	4,111	12.3	20.7	12.6
Manufacturing	14,648	18,813	68	85	89	76	28.0	4.3	33.9
Construction	55,648	66,858	282	286	326	338	19.3	49.5	26.1
Manufacturing	276,112	312,570	194	285	246	261	12.1	26.7	13.9
Durable goods	176,216	203,653	128	137	171	185	13.7	33.0	15.2
Non-durable goods	89,896	109,917	65	88	75	76	9.4	14.2	10.0
Private service type	455,754	515,248	2,382	2,519	2,850	3,019	12.9	16.7	13.1
Transportation, communication, and public utilities	76,584	85,584	289	305	346	363	16.4	15.7	11.3
Wholesale and retail trade	170,888	195,025	952	939	881	721	13.6	23.4	14.1
Finance, insurance, and real estate	54,452	61,653	138	158	178	188	14.1	28.8	13.2
Services	153,840	173,396	1,282	1,468	1,845	1,748	12.6	18.7	12.7
Government	281,257	315,083	718	745	788	815	7.4	8.8	6.5
Federal	88,176	73,063	261	276	287	297	7.3	9.9	7.1
State and local	193,081	242,020	457	470	501	518	7.5	8.7	6.8
Other	2,278	3,685	9	19	11	11	18.7	23.3	14.5

1. Detail may not add to totals because of rounding.
2. Based on rounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Division.

TABLE 3.—Consumer Price Index, United States and Nevada Through Fourth Quarter, 1978¹

	United States			Nevada			U.S. State U.S.		
	1977:IV	1978:IV	1978:III	1977:IV	1978:III	1978:II	1977:III—1978:II	1977:III—1978:II	1977:III—1978:II
	Index, 1967=100, not seasonally adjusted					Percent change			
U.S. city average ²	100.3	200.8	—	—	—	—	7.5	—	8.9

1. Consumer Price Indexes are shown for the most selected SMSA(s) for which data are available.
2. Average for 15 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1976, and revised data are used for subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Nevada's civilian labor force increased 1.0 percent, one-third of the national advance. Nevada's advance was one of the smallest registered among all States (table 4). Total employment increased from 308,000 to 319,000, a 3.4-percent advance that lagged the Nation's advance by 0.5 percentage point.

With employment increasing by 11,000 and the labor force increasing by only 3,000, the number of unemployed declined by 8,000. The unemployment rate declined 2.3 percentage points, to 4.3 percent of the labor force. While in 1977:IV, Nevada's unemployment rate was above

the Nation's rate, in 1978:IV, Nevada's rate was 1.2 percentage points less than the Nation's 5.5-percent rate.

Across the State, unemployment rates varied somewhat. According to preliminary data for December 1978, unemployment rates in the two major metropolitan areas of Las Vegas and Reno, at 4.5 and 3.5 percent, respectively, were lower than the preliminary State rate of 4.6 percent. Nonmetropolitan Nevada registered a 7.0-percent unemployment rate.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Nevada

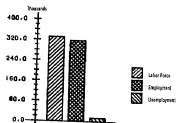


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

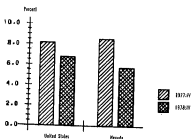


TABLE 4.—Labor Force, United States and Nevada Through Fourth Quarter, 1978

	United States			Nevada			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:III—1978:III	1977:IV—1978:IV
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,210	87,708	81,7	319	351	352	4.3	10.6	4.2	18.4
Mining	387	899	4	4	3	3	8.2	-17.1	14.2	-23.3
Construction	4,632	4,488	15	16	17	18	3.1	11.1	3.7	12.8
Manufacturing	15,985	20,722	19	19	19	21	3.8	7.9	4.4	19.5
Transportation, communication, and public utilities	4,761	4,971	19	19	20	21	5.3	10.5	4.5	11.4
Wholesale and retail trade	10,152	20,015	63	64	70	71	4.6	9.2	-2.6	10.5
Finance, insurance, and real estate	4,892	4,756	13	13	14	15	4.6	9.2	-2.6	10.5
Services	15,538	16,215	130	130	150	146	4.6	12.3	4.4	11.9
Government	15,434	15,655	45	51	51	54	2.3	5.1	1.4	1.7
Civilian labor force ³	98,591	101,615	329	329	342	333	3.2	4.2	3.1	1.9
Total employed	92,442	96,010	338	338	349	339	4.1	6.9	3.9	3.4
Total unemployed	6,149	5,605	21	22	13	14	-9.8	-26.5	-8.8	-21.8
Percent unemployed	6.2	5.5	6.3	6.6	3.8	4.0				

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This causes a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

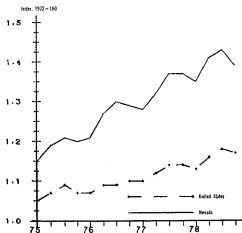


Chart 8.—Civilian Employment

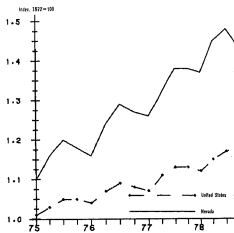


Chart 9.—Unemployment Rate

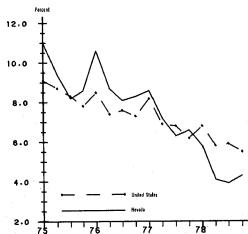
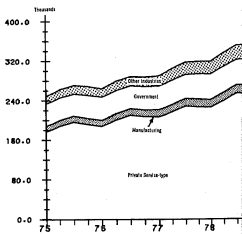


Chart 10.—Industrial Composition of Nonagricultural Employment: Nevada



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Nevada Through Fourth Quarter, 1976

	United States			Nevada			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:III
	Millions of dollars, not seasonally adjusted ¹						Percent change ²		
Total loans	618,902	n.a.	1,485	1,504	1,872	n.a.	16.3	27.8	— — —
Commercial and industrial	596,317	n.a.	381	358	449	n.a.	14.2	17.7	— — —
Loans to individuals	548,599	n.a.	392	408	580	n.a.	20.2	31.0	— — —
Real estate	177,595	n.a.	845	681	876	n.a.	13.9	35.5	— — —
Residential	161,536	n.a.	764	293	377	n.a.	21.3	42.9	— — —
Farms	7,731	n.a.	2	2	2	n.a.	10.7	—39.8	— — —
Other	88,968	n.a.	380	386	497	n.a.	19.0	30.8	— — —
Farms, excluding real estate	25,784	n.a.	19	24	24	n.a.	6.8	23.7	— — —
Other	63,547	n.a.	36	21	23	n.a.	8.0	—16.4	— — —
Total deposits	928,911	n.a.	2,331	2,431	2,799	n.a.	11.5	18.1	— — —
Demand	337,883	n.a.	1,611	1,901	1,198	n.a.	10.2	18.5	— — —
Time and savings	547,828	n.a.	1,270	1,370	1,602	n.a.	12.3	21.3	— — —

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

The total valuation of contracts in Nevada rose 27.9 percent from 1977:IV to 1978:IV, exceeding the Nation's increase by 11.1 percentage points, to \$321 million (table 6). National construction costs rose almost 13 percent during the same timespan; if this rise reflects the advance throughout Nevada, the real valuation of contracts rose about 15 percent in the State versus about 4 percent in the Nation.

Continuing strong gains in the Clark County (Las Vegas) residential housekeeping market were mainly responsible for the State's large year-to-year gain in the total valuation of contracts. Statewide, the valuation of residential housekeeping contracts increased \$47 million, the largest increase among all construction categories in Nevada. This represented a 36.6-percent gain, well above the 15.6-percent national average gain and one of the largest gains among all States. One-family housing units in Clark County accounted for almost 60 percent of the valuation of all residential housekeeping contracts in Nevada in 1978:IV. The number of dwelling units started rose 12.3 percent (almost 500), to 4,200 units. In contrast, the number of dwelling units started in the Nation was virtually unchanged at a high level. The valuation of contracts for ad-

ditions and alterations to residential housekeeping units rose 20 percent, almost 20 percentage points more than nationally. The gain was larger only in Mississippi.

Reflecting a \$34 million contract for a water line in Clark County, the valuation of nonbuilding contracts increased 140.4 percent, to \$25 million in 1978:IV. Nevada's gain far outpaced the national average, 22.2 percent and ranked third in the Nation. Street and highway contracts rose 5.8 percent in valuation, comparing favorably with the national decline of 16.3 percent.

Nonresidential contracts rose 2.6 percent in valuation from year to year, far below the Nation's 15.8-percent gain.

The valuation of residential nonhousekeeping contracts fell to less than one-fourth of the level of 1977:IV. The decline was mainly due to a million contract in 1977:IV for the construction of a hotel in Las Vegas, which raised the State's total valuation of contracts to an unusual level, thereby distorting the subsequent year-to-year change.

Chart 14.—Construction Contracts—Total Valuation

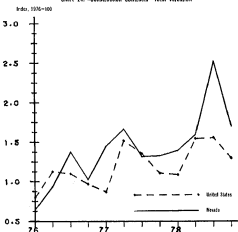


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Nevada

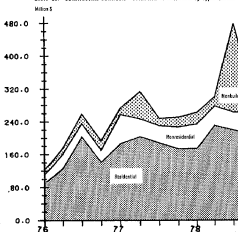
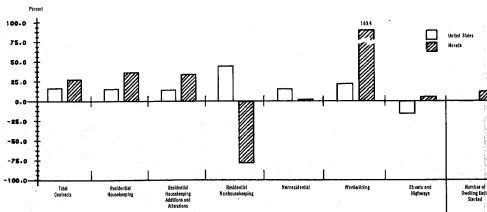


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV





NEW HAMPSHIRE

Highlights

1977:IV to 1978:IV

Personal income

- Up 12.9%, 0.3 percentage point more than in U.S.
- Strong increases in construction, private service-type industries, and State and local government
- Weak increases in manufacturing and Federal Government

Consumer prices

- Up 7.5% in Boston vs. 8.9% in U.S.

Employment

- Up 3.5% vs. 3.9% in U.S., to 414,000

Unemployment

- Down between 6,000 and 7,000, to 15,000
- Rate down to 3.5% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts up 23.5% vs. 16.8% in U.S., to \$189 million
- Large gain in valuation of nonbuilding contracts
- Number of dwelling-unit starts up 5.2% vs. little change in U.S., to 1,664

TABLE 1.—Summary of Economic Indicators, United States and New Hampshire Through Fourth Quarter, 1978

	United States			New Hampshire			U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:III—1978:III
All indicators, except income, not seasonally adjusted								
Total personal income (millions of dollars).....	1,583,500	1,782,519	5,832	5,896	6,386			
Total wages and salaries (millions of dollars).....	1,013,250	1,140,696	3,277	3,476	3,777			
Civilian employment (thousands).....	92,442	96,600	400	404	404			
Unemployment (thousands).....	6,149	5,895	25	25	25			
Percent unemployed (unemployment/labor force).....	6.2	5.5	5.8	6.2	6.2			
Total loans (millions of dollars).....	610,502	n.a.	1,534					
Total deposits (millions of dollars).....	925,511	n.a.	2,189					
Total valuation of construction contracts (thousands of dollars).....	38,913,131	45,019,773	1,380,983					
Dwelling units started (number).....	445,772	443,075	1,767	1,582	1,890	1,664	1.0	7.0
Total retail sales (millions of dollars).....	157,830	219,020	n.a.	n.a.	n.a.	n.a.	10.3	—
New business incorporations (number).....	109,411	n.a.	354	343	371	n.a.	8.2	4.8
Business failures (number).....	1,884	n.a.	8	8	0	n.a.	-8.5	-11.7
Consumer Price Index (1967=100):								
U.S. city average.....	185.3	201.4	—	—	—	—	7.9	—
Durham.....	185.3	201.4	185.6	185.3	184.2	185.2	—	5.0

n.a.: Data not available.

Source: See tables 2 through 8.

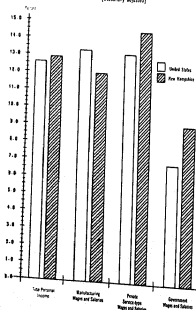
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 12.9 percent from 1977:IV to 1978:IV, 0.3 percentage point more than in the Nation (table 2). In 1978:IV, New Hampshire's total personal income was \$6.7 billion, up \$0.8 billion since 1977:IV. Firm income was down substantially in the State and up substantially in the Nation. Nonfarm income increased 0.7 percentage point more in New Hampshire than in the Nation. In most New England States, the increases in both total personal income and nonfarm income were fairly close to the national average.

Since the last national business cycle peak (1973:IV), New Hampshire's economic growth has been well above the national average; the increase in nonfarm income was 13 percent more than nationally, ranking New Hampshire 19th among all States. New Hampshire was the only State in the Northeast-Great Lakes manufacturing belt that grew at a well-above-average rate.

Chart 1—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)



Consumer prices in Boston, the metropolitan area closest to Hampshire for which price data are available, increased 7.5 percent from 1977:IV to 1978:IV versus a national increase of 8.9 percent (3). If Boston's index is used as an indicator for price movements in the State, real total personal income in New Hampshire increased 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 13.3 percent in Hampshire versus 12.6 percent in the Nation. In 1978:IV, payrolls totaled \$3.9 billion, up \$0.5 billion since 1977:IV.

Private service-type payrolls increased 14.4 percent in New Hampshire and 13.1 percent in the Nation. Strength was particularly pronounced in trade—up 18.2 percent versus 14.1 percent in the Nation. Only States had increases in trade payrolls that were larger than Hampshire's. Finance-insurance-real estate payrolls increased 13.2 percent in the Nation. In contrast, the increase in services payrolls was substantially less in New Hampshire than in the Nation.

Payrolls in construction increased 24.9 percent in New Hampshire versus 20.1 percent in the Nation. The increase in State and government payrolls was also larger in the State than in the Nation.

In contrast, the State's manufacturing payrolls lagged—up 12.0 percent versus 13.3 percent nationally. Increases in both durable goods and nondurable goods manufacturing payrolls in New Hampshire were substantially less than increases in respective industries in the Nation. The increase in Federal Government payrolls in the State was also below the increase in the Nation.

State unemployment insurance benefits declined 25.5 percent in Hampshire and 30.3 percent in the Nation.

Chart 2—Consumer Price Index, Percent Change, 1977:IV—1978:IV

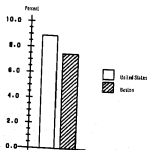


Chart 3.—Total Personal Income
(Seasonally adjusted)

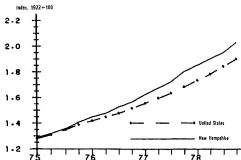


Chart 4.—Industrial Composition of Wages and Salaries: New Hampshire
(Seasonally adjusted)

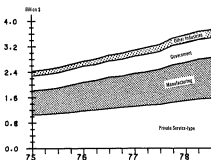


TABLE 2.—Personal Income, United States and New Hampshire Through Fourth Quarter, 1978

	United States			New Hampshire			U.S.	State	U.S.
	1977:IV			1977:IV			1977:IV—	1978:IV	1978:IV
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²		
Total personal income	1,583,990	1,782,519	5,832	5,896	6,396	6,654	12.4	13.6	12.4
Farm personal income	31,224	38,451	18	17	13	13	47.9	-19.3	26.3
Nonfarm personal income	1,552,284	1,743,868	5,814	5,879	6,382	6,641	11.9	13.7	12.3
Total personal income	1,583,990	1,782,519	5,832	5,899	6,396	6,654	12.4	13.6	12.4
Wage and salary disbursements	1,312,216	1,348,696	3,277	3,475	3,753	3,937	12.1	14.5	12.6
Other labor income	96,604	111,719	325	328	389	405	17.0	13.4	16.4
Proprietors' income	165,563	125,993	361	369	231	351	21.5	3.8	18.9
Rent	23,656	31,044	8	8	4	66.6	-46.5	31.3	—
Dividends	32,317	34,951	263	301	326	347	12.8	11.4	15.3
Dividends, interest, and rent	214,992	242,442	895	826	568	568	12.3	12.8	12.6
Transfer payments	215,944	233,758	753	716	833	844	8.8	30.7	8.3
State unemployment insurance benefits	11,128	7,752	18	21	19	15	-24.6	5.0	-94.2
Less: personal contributions	67,212	71,816	334	347	274	284	14.8	16.7	15.1
Plus: residence adjustment	-601	-473	487	414	457	466	—	—	—
Wage and salary disbursements	1,053,216	1,140,696	3,277	3,475	3,753	3,937	12.1	14.5	12.6
Farm	7,176	7,939	8	8	8	8	8.5	8.7	10.6
Nonfarm	1,046,040	1,132,757	3,269	3,467	3,745	3,929	12.1	14.6	12.6
Mining	14,848	18,813	5	5	7	7	26.5	41.2	33.9
Construction	58,648	66,858	193	208	230	268	19.1	19.7	20.1
Manufacturing	276,112	312,570	1,106	1,182	1,282	1,323	12.1	15.8	13.3
Durable goods	176,218	203,063	685	727	796	826	12.7	20.9	15.2
Non-durable goods	99,896	109,507	441	456	484	497	9.4	9.4	10.0
Private service-type	458,764	515,348	1,791	1,482	1,368	1,672	12.8	14.2	13.1
Transportation, communication, and public utilities	76,584	85,354	171	190	190	201	10.4	13.0	11.3
Wholesale and retail trade	176,688	195,035	158	169	187	196	14.1	13.2	12.3
Finance, insurance, and real estate	54,462	61,853	145	169	187	196	14.1	13.2	12.3
Services	153,848	173,396	497	528	543	584	12.6	9.2	9.7
Government	281,252	215,883	567	604	629	659	7.4	11.0	6.9
Federal	68,176	73,933	172	184	189	193	7.3	9.6	7.1
State and local	133,876	142,880	395	420	441	465	7.8	11.6	6.8
Other	3,216	3,685	7	7	8	8	28.7	15.3	14.6

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Models Division.

TABLE 3.—Consumer Price Index, United States and New Hampshire Through Fourth Quarter, 1978¹

	United States			New Hampshire			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1978:IV	1977:III— 1978:III
Index, 1957=100, not seasonally adjusted								Percent change	
U.S. city average ¹	285.3	285.8	—	—	—	—	7.8	—	8.9
Boston	—	—	285.0	286.3	284.2	286.2	—	5.6	—

1. Consumer Price Indexes are shown for the most relevant SMSAs for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
3. Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and rounded data are used for subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, the civilian labor force increased 1.8 percent, 1.3 percentage points less than in the Nation (table 4). Total employment in New Hampshire increased 3.5 percent, 0.4 percentage point less than nationally, to 414,000.

With employment increasing by about 14,000 and the labor force increasing by about 8,000, unemployment declined by between 6,000 and 7,000. In 1978:IV, the unemployment rate in New Hampshire was 3.5 percent versus a national rate of 5.5 percent. The State's unemployment rate was exceeded in 42 States, and it was the lowest rate

in New England. New Hampshire's rate declined 1.7 percentage points from 1977:IV to 1978:IV versus a national decline of only 0.7 percentage point. All New England States except Connecticut had sharp year-to-year declines in unemployment rates. Only three States in the Nation had declines sharper than New Hampshire's: Nevada (2.3 percentage points) and Rhode Island and Maine (2.0 percentage points each). While in 1977:IV, New Hampshire's unemployment rate was 2 percentage points below the national rate, in 1978:IV, it was 2 percentage points below.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV, New Hampshire

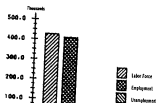


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

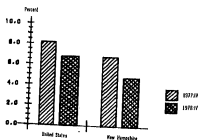


TABLE 4.—Labor Force, United States and New Hampshire Through Fourth Quarter, 1978

	New Hampshire through Fourth Quarter, 1978									
	United States			New Hampshire			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:IV	1978:IV	1977:IV	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:IV	1978:IV
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees in nonagricultural pursuits										
Mining	84,216	87,768	390	351	372	372	4.3	6.5	4.3	6.0
Construction	757	899	1	1	0	0	8.2	-20.0	14.2	-20.0
Manufacturing	4,032	4,488	21	21	24	24	18.4	12.4	11.3	11.3
Transportation, communication and public utilities	15,586	20,722	102	105	106	106	3.1	3.6	3.7	3.2
Wholesale and retail trade	4,761	4,921	12	13	13	13	2.6	3.2	4.4	4.8
Finance, insurance and real estate	19,132	20,516	76	77	84	83	5.3	8.5	4.5	8.2
Services	4,852	4,756	16	17	18	18	4.8	9.1	-2.9	9.0
Government	15,539	16,215	69	64	73	70	4.0	6.7	4.4	7.1
	15,434	15,856	51	50	54	57	2.3	6.3	1.4	4.8
Civilian labor force ³	96,591	101,816	476	422	443	436	3.2	4.9	3.1	1.8
Total employed	92,442	98,010	461	401	424	414	4.1	5.6	3.9	3.5
Total unemployed	4,149	5,806	25	22	19	15	-5.8	-23.4	-8.1	-30.5
Percent unemployed	6.2	5.5	5.8	5.2	4.3	3.5				

1

2

3

1

2

3

¹ Detail may not add to totals because of rounding.

² Based on unrounded data.

³ Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

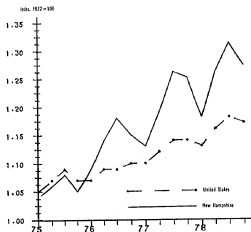


Chart 8.—Civilian Employment

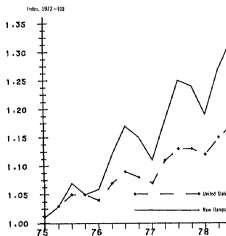


Chart 9.—Unemployment Rate

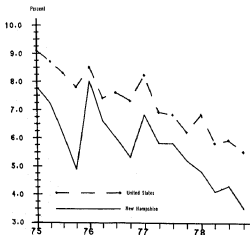
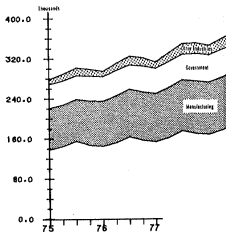


Chart 10.—Industrial Composition of Nonagricultural Employment: New Hampshire



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and New Hampshire Through Fourth Quarter, 1978

	United States			New Hampshire			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:IV 1978:IV		1977:IV 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	816,502	n.a.	1,534	1,582	1,754	n.a.	18.3	14.3	n.a.	n.a.
Commercial and industrial	186,317	n.a.	370	373	400	n.a.	14.2	8.1	n.a.	n.a.
Loans to individuals	140,580	n.a.	422	428	484	n.a.	20.2	14.6	n.a.	n.a.
Real estate	177,526	n.a.	775	770	840	n.a.	19.5	17.2	n.a.	n.a.
Automotive	101,226	n.a.	481	512	573	n.a.	21.3	19.0	n.a.	n.a.
Other	7,731	n.a.	5	5	5	n.a.	19.7	16.0	n.a.	n.a.
Farms, excluding real estate	85,588	n.a.	228	252	271	n.a.	19.0	13.7	n.a.	n.a.
Other	25,294	n.a.	3	3	2	n.a.	6.8	9.9	n.a.	n.a.
Other	69,947	n.a.	16	18	16	n.a.	8.0	12.5	n.a.	n.a.
Total deposits	925,511	n.a.	2,189	2,164	2,365	n.a.	11.5	12.1	n.a.	n.a.
Demand	377,583	n.a.	986	850	643	n.a.	10.2	9.8	n.a.	n.a.
Time and savings	547,928	n.a.	1,573	1,506	1,721	n.a.	12.3	13.0	n.a.	n.a.

1. Data may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 23.5 percent in New Hampshire, 6.7 percentage points more than nationally (table 6). In 1978:IV, contracts in the State totaled \$189 million, for a gain over the year of \$36 million. About one-half of New Hampshire's gain was traceable to a \$17 million contract in 1978:IV for a sewage treatment plant in Merrimack County. This contract raised the total valuation of contracts to an unusually high level, thereby distorting the year-to-year change. If the treatment plant is excluded, the total valuation of contracts in the State increased 12 percent.

National construction costs increased about 13 percent; if this increase is representative of cost changes in New Hampshire, the real valuation of construction contracts in the State (including the sewage treatment plant) increased about 10 percent versus about 4 percent nationally.

The valuation of nonbuilding contracts increased 146.6 percent in New Hampshire versus 22.2 percent in the Nation. Only South Dakota

registered a stronger advance (226.4 percent). Nonbuilding Hampshire benefited from both the contract for the sewage treatment plant and from a large increase (154.4 percent) in the valuation of highway contracts. Nationally, the valuation of street and highway contracts was down 16.3 percent.

The valuation of residential housekeeping contracts increased 15.6 percent in the State versus 15.6 percent nationwide. The number of dwelling units started increased 5.2 percent, to 1,664 units, for over the year of 82 units. Nationally, in contrast, the number of dwelling units started was virtually unchanged at a high level. Contracts for additions and alterations to residential housekeeping units increased 0.5 percent in valuation in the State versus 14.6 percent in the Nation.

Nonresidential contracts declined 6.9 percent in valuation in the State versus a gain of 15.8 percent nationally. This was the only category registered among New Hampshire's major construction categories

Chart 14.—Construction Contracts—Total Valuation

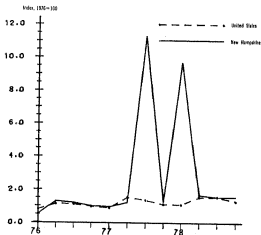


Chart 15.—Construction Contracts—Valuation of Contracts by Type: New Hampshire

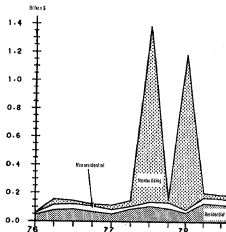


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

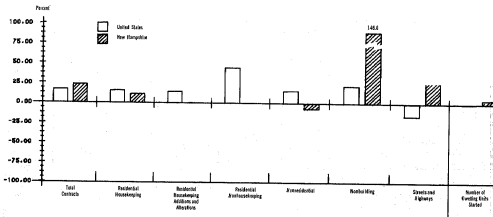


TABLE 6.—Construction Contracts, United States and New Hampshire Through Fourth Quarter, 1978¹

	United States			New Hampshire			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1978:IV	1978:III	1978:IV	1977:III-1978:III	1977:IV-1978:IV	1977:III-1978:III	1977:IV-1978:IV
	Not seasonally adjusted						Percent change ²			
Total value of contracts	38,613,131	45,456,773	1,368,881	352,299	188,678	183,349	14.5	-86.3	16.8	201
Nonresidential building, including additions and alterations	7,767,987	8,832,363	46,768	36,945	48,265	37,122	16.3	3.2	14.6	5
Residential building										
Single-family detached	62,789	56,928	191	188	220	189	4.4	15.2	-9.3	59
Single-family attached	31,205,124	36,627,420	1,334,215	116,150	143,417	152,227	14.0	-88.5	17.4	108
Multifamily	881,463	971,098	3,355	3,744	4,289	3,703	10.6	39.2	10.2	-1
Nonbuilding										
Manufacturing	14,835	14,192	40	48	39	42	-5.1	-2.5	-4.3	-18
Transportation	445,772	463,075	1,767	1,582	1,890	1,684	1.9	7.0	-6.5	5
Communications	14,879,596	17,138,518	61,312	56,592	72,836	62,925	15.3	19.0	15.6	10
Electric, electronic, and optical equipment	518,733	640,736	2,458	2,385	2,938	2,426	14.3	17.1	20.7	7
Machinery, equipment, and supplies	537	585	4	0	0	3	-16.0	---	-4	---
Instruments and related products	318,627	486,279	754	0	0	5,850	9.4	---	44.8	---
Miscellaneous	8,467	10,540	14	0	0	169	-7	---	24.7	---
Nonbuilding, excluding										
Transportation	33,756	37,855	80	81	84	97	-2.5	3.7	-12.0	128
Communications	6,334,415	10,218,709	31,164	41,254	42,918	36,880	27.6	37.7	15.8	-49
Electric, electronic, and optical equipment	292,253	219,240	883	1,479	1,511	1,108	12.2	71.2	8.9	-29
Machinery, equipment, and supplies	16,781	15,176	66	59	67	57	22.4	47.0	-9.1	-34
Instruments and related products	6,852,476	8,127,854	1,540,690	18,474	24,580	44,572	-1	-98.0	22.2	146
Miscellaneous	4,086	4,808	28	12	25	12	9.3	-16.7	-17.8	0
Nonbuilding, excluding, except	2,388,681	1,831,241	11,849	4,165	8,327	16,613	3.9	-29.7	-16.3	154

¹ Contracts started or ordered to start within 60 days.
² Percent changes for 1978 are based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
 NOTE.—Detail for New Hampshire data may not add to totals because of rounding.

Retail Sales

Retail sales data for New Hampshire are not available.

TABLE 7.—Retail Sales, United States and New Hampshire Through Fourth Quarter, 1978

	United States			New Hampshire			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1978:IV	1978:III	1978:IV	1977:III-1978:III	1977:IV-1978:IV	1977:III-1978:III	1977:IV-1978:IV
	Millions of dollars, not seasonally adjusted						Percent change			
Total sales	197,836	219,628	n.a.	n.a.	n.a.	n.a.	10.3	---	11.2	---
Durable goods	57,095	71,573	n.a.	n.a.	n.a.	n.a.	11.8	---	15.3	---
Nondurable goods	134,895	147,447	n.a.	n.a.	n.a.	n.a.	9.6	---	9.2	---

n.a. Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and New Hampshire Through Fourth Quarter, 1978

	United States			New Hampshire			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1978:IV	1978:III	1978:IV	1977:III-1978:III	1977:IV-1978:IV	1977:III-1978:III	1977:IV-1978:IV
	Not seasonally adjusted						Percent change			
New business incorporations	169,611	n.a.	354	343	371	n.a.	6.2	4.6	---	---
Total number of business failures	1,484	n.a.	6	6	6	n.a.	-5.5	-11.1	---	---
Current liabilities (thousands of dollars)	484,296	n.a.	1,061	1,327	5,977	n.a.	-44.2	378.5	---	---
Average liability per failure (thousands of dollars)	326	n.a.	178	186	635	n.a.	-38.4	438.1	---	---
Business failures by industry										
Mining and manufacturing	248	n.a.	0	0	2	n.a.	-10.1	---	---	---
Construction	319	n.a.	0	3	1	n.a.	2.6	---	---	---
Wholesale trade	591	n.a.	0	1	1	n.a.	-27.1	---	---	---
Retail trade	588	n.a.	0	3	4	n.a.	-4.7	-33.3	---	---
Commercial services	238	n.a.	3	1	6	n.a.	-24.0	---	---	---

n.a. Data not available.
 Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

NEW JERSEY

Highlights

1977:IV to 1978:IV

- Personal income** —Up 10.9%, 1.7 percentage points less than in U.S.
 —Weak increases in manufacturing, trade, and finance-insurance-real estate
 —Strong increase in construction
- Consumer prices** —Up 6.2% in the New York City-Northeast New Jersey area and 7.2% in Philadelphia vs. 8.9% in U.S.
- Employment** —Up 6.1% vs. 3.9% in U.S., to 3.3 million
- Unemployment** —Down 42,000, to 229,000
 —Rate down to 6.4% of labor force vs. 5.5% U.S. rate
- Construction** —Total valuation of contracts up 10.8% vs. 16.8% in U.S., to \$1.2 billion
 —Large gain in valuation of nonresidential contracts
 —Number of dwelling-unit starts up 5.5% vs. little change in U.S., to 9,645
- Retail sales** —Up 18.3% vs. 11.2% in U.S., to \$8.3 billion

TABLE 1.—Summary of Economic Indicators, United States and New Jersey Through Fourth Quarter, 1978

	United States			New Jersey			U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III-1978:III	
	All indicators, except income, not seasonally adjusted							
total personal income (millions of dollars).....	1,582,000	1,782,519	58,209	60,261	65,735	66,985	12.4	
total wages and salaries (millions of dollars).....	1,113,216	1,144,696	35,183	36,744	38,135	39,723	12.1	
civilian employment (thousands).....	92,442	96,919	3,084	3,148	3,290	3,335	4.1	
unemployment (thousands).....	6,149	5,605	315	271	295	229	-9.8	
percent unemployed (unemployment/labor force).....	6.2	5.5	9.3	7.9	7.3	6.4	—	
total loans (millions of dollars).....	610,502	n.a.	15,915	15,533	17,675	n.a.	14.3	
total deposits (millions of dollars).....	929,511	n.a.	24,534	25,776	26,377	n.a.	11.5	
total valuation of construction contracts (thousands of dollars).....	36,912,111	45,460,773	1,039,062	1,059,467	1,155,921	1,268,375	14.5	
new units started (number).....	445,772	443,675	5,762	9,343	5,705	9,449	1.0	
total retail sales (millions of dollars).....	157,036	219,626	5,974	7,029	6,398	5,306	10.3	
new business incorporations (number).....	369,412	n.a.	4,568	4,823	5,611	n.a.	8.2	
business failures (number).....	1,884	n.a.	104	115	83	n.a.	-9.5	
consumer Price Index (1967=100):								
U.S. city average.....	185.3	201.8	—	—	—	—	7.9	
New York City-Northeast New Jersey.....	—	—	187.9	188.3	196.8	200.0	—	
Philadelphia.....	—	—	185.4	187.1	197.2	200.0	—	

n.a.: Data not available.

Source: See tables 2 through 8.

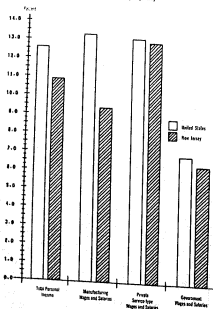
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 10.9 percent from 1977:IV to 1978:IV, 1.7 percentage points less than in the Nation (table 2). Among all States, New Jersey's increase ranked 45th. In 1978:IV, the State's personal income totaled \$67.0 billion, for an increase of \$6.6 billion since 1977:IV. Changes in most major income components were below those registered in corresponding components nationally. Like New Jersey, most of the States in the Midwest region had advances in total personal income that were well below the national average.

Since the last national business cycle peak (1973:IV), New Jersey's economy has grown slowly; the increase in nonfarm income was 21 percent less than nationally, ranking New Jersey 49th among all States. New York, with a 30-percent lag, ranked 50th. All of the Midwest States had well-below-average increases in nonfarm income.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)



Consumer prices from 1977:IV to 1978:IV increased 6.2 percent in the New York City-Northeast New Jersey area and 7.2 percent in the Philadelphia area; both of these increases were well below the national increase of 8.9 percent (table 3). If the average price increase in the areas—6.7 percent—is used as an indicator for price movements in the State, real total personal income in New Jersey increased 4.2 percent versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 11.1 percent in the State versus 12.6 percent in the Nation. In 1978:IV, they totaled \$39 billion, up \$4.0 billion from year to year.

Manufacturing payrolls increased 9.4 percent in New Jersey versus 13.1 percent in the Nation. Among all States, the increase ranked 45th. In 1978:IV, manufacturing payrolls accounted for 30.9 percent of all payrolls in the State versus a weight of 27.4 percent in the Nation. The payroll increases in both durable and nondurable goods manufacturing were smaller in New Jersey than in the Nation, as were increases in trade, finance-insurance-real estate, and services.

In contrast, the payroll increase in transportation-communication and public utilities was larger in the State than in the Nation—13.9 versus 11.3 percent. Similarly, construction payrolls increased 24.8 percent in New Jersey versus 20.1 percent in the Nation. The increase in State and local government payrolls was about as large in New Jersey as in the Nation, and the increase in Federal Government payrolls was smaller in the State than in the Nation.

With New Jersey's economic advance lagging the national advance, State unemployment insurance benefits declined 10.4 percent versus a decline of 30.3 percent in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

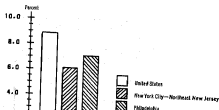


Chart 3.—Total Personal Income
[Seasonally adjusted]

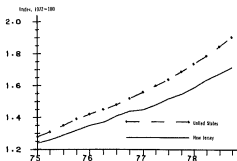


Chart 4.—Industrial Composition of Wages and Salaries: New Jersey
[Seasonally adjusted]

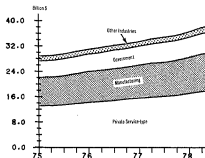


TABLE 2.—Personal Income, United States and New Jersey Through Fourth Quarter, 1978

	United States			New Jersey			U.S.	State	L.
	1972:IV	1978:IV	1977:III	1972:IV	1978:III	1978:IV	1972:III— 1978:III		
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change		
Total personal income	1,583,568	1,792,519	58,269	40,382	65,728	66,965	12.4	11.0	12.8
Farm personal income	31,224	38,451	102	112	120	127	47.9	26.5	26.3
Nonfarm personal income	1,552,284	1,743,968	58,106	40,271	65,608	66,838	11.9	11.0	12.3
Total personal income	1,583,568	1,792,519	58,269	40,382	65,728	66,965	12.4	11.0	12.8
Wage and salary disbursements	1,013,216	1,148,696	35,101	35,744	39,129	39,723	12.1	11.5	12.8
Other labor income	96,016	111,719	2,364	3,486	3,905	3,917	17.8	18.1	14.4
Proprietors' income	105,953	125,995	2,619	2,733	3,008	3,098	21.5	12.9	18.9
Farm	23,636	31,044	27	34	58	44	66.6	62.9	31.3
Nonfarm	82,317	94,951	2,652	2,699	2,950	3,054	12.8	11.5	15.3
Dividends, interest, and rent	214,582	242,442	7,841	8,024	8,725	8,959	12.5	11.3	12.8
Transfer payments	215,944	232,750	1,695	7,703	8,226	8,136	8.5	8.2	8.3
State unemployment insurance benefits	11,128	7,753	775	739	679	662	-24.6	-12.4	-30.2
Less: personal contributions	42,212	71,611	2,394	2,237	2,508	2,512	14.8	13.8	15.3
Plus: residence adjustment	-461	-473	4,822	4,830	5,245	5,404	—	—	—
Wage and salary disbursements	1,013,216	1,148,696	35,101	35,744	38,139	38,723	12.1	11.5	12.8
Farm	7,176	7,999	49	71	72	75	8.5	5.8	10.6
Nonfarm	1,006,040	1,132,157	35,034	35,674	38,067	38,648	12.1	11.5	12.8
Mining	14,048	18,833	41	39	47	48	25.5	18.4	31.5
Construction	55,948	66,858	1,426	1,439	1,795	1,791	23.2	20.1	17.8
Manufacturing	276,112	312,679	10,951	11,221	12,247	12,760	12.1	11.0	12.3
Durable goods	175,216	205,053	5,362	5,591	6,054	6,232	12.7	12.9	10.3
Nondurable goods	49,896	109,627	5,489	5,630	5,993	6,048	8.4	6.2	10.0
Private service-type	455,764	515,349	16,291	16,584	18,332	18,733	12.8	12.5	13.1
Transportation, communication, and public utilities	74,584	85,264	2,952	2,983	3,354	3,388	18.4	12.6	11.1
Wholesale and retail trade	170,808	195,035	6,188	6,338	6,942	7,163	13.8	12.2	14.1
Finance, insurance, and real estate	54,452	61,652	1,735	1,731	1,964	1,943	14.1	5.8	13.2
Services	153,840	173,286	5,417	5,545	6,133	6,299	12.4	12.2	12.7
Government	261,758	215,953	6,398	6,203	6,787	6,765	7.4	7.1	8.5
Federal	48,176	73,023	1,961	1,670	1,353	1,315	7.3	5.8	7.1
State and local	123,076	142,080	4,778	4,683	5,136	4,960	7.5	7.5	6.1
Other	2,216	3,685	76	79	88	87	16.7	16.7	14.4

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Division.

TABLE 3.—Consumer Price Index, United States and New Jersey Through Fourth Quarter, 1978¹

	United States			New Jersey			U.S.	State	Percent change
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		
	Index, 1967=100, not seasonally adjusted								
U.S. city average*	185.3	291.8	—	—	—	—	7.9	—	
New York City—Northeast New Jersey	—	—	181.3	188.3	194.9	290.9	—	5.2	
Philadelphia	—	—	185.4	187.2	197.2	290.6	—	8.4	

1. Consumer Price indexes are shown for the most relevant SMSAs for which data are available.
 2. Average for 95 representative urban areas based on the 1970 Census of Population.
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and revised data for subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, the labor market in New Jersey was strong. The civilian labor force increased 4.3 percent, 1.2 percentage points more than in the Nation (table 4). Only thirteen States had larger increases. Total employment in New Jersey increased 6.1 percent, 2.2 percentage points more than in the Nation, to 3.3 million. Only seven States had larger increases. New Jersey's employment increase was the largest in the Northeast-Great Lakes manufacturing belt.

With the labor force increasing 149,000 in the State and employment increasing 191,000, unemployment declined 42,000, to 229,000. New Jersey's unemployment rate declined 1.5 percentage points, to 6.4 percent of the labor force in 1978:IV. Despite the large decline, New

Jersey's rate was the ninth highest in the Nation. The Nation's unemployment rate declined 0.7 percentage point, to 5.5 percent of the labor force in 1978:IV.

In December 1978, the preliminary unemployment rate in the State was 6.9 percent, unchanged from a year previous. Rates in the State ranged from 4.8 percent in Trenton to 11.0 percent in Jersey City. Rates of 10.3 and 10.5 percent were registered in Atlantic City and Vineland-Millville-Bridgeton, respectively. In Newark, which accounts for nearly one-third of New Jersey's labor force, the preliminary unemployment rate was 6.1 percent, down 0.2 percentage point since December 1977.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: New Jersey

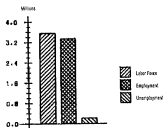


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

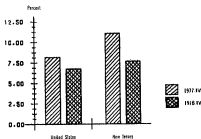


TABLE 4.—Labor Force, United States and New Jersey Through Fourth Quarter, 1978

	United States						New Jersey		U.S.		State	U.S.	State	
									1977:III—1978:III		1977:IV—1978:IV			
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV								
Thousands of persons, not seasonally adjusted ¹													Percent change ²	
Employees on nonagricultural payrolls	84,210	87,708	2,894	2,503	2,963	2,975	4.3	3.1	4.2	21	21			
Mining	767	899	3	3	3	2	8.2	-3.3	14.2	-9	-9			
Construction	4,082	4,488	394	106	116	116	10.4	13.4	11.3	9	9			
Manufacturing	19,986	20,722	734	787	785	755	3.1	1.4	3.7	1	1			
Transportation, communication, and public utilities	4,761	4,571	181	183	191	195	3.8	5.2	4.4	41	41			
Wholesale and retail trade	13,132	20,025	6,493	654	662	695	5.3	2.0	4.5	2	2			
Finance, insurance, and real estate	4,853	4,756	146	145	153	151	4.8	4.5	-2.0	4	4			
Services	15,530	16,205	534	527	556	542	4.6	4.2	4.4	2	2			
Government	15,424	15,658	563	582	515	589	2.1	2.5	1.4	1	1			
Civilian labor force ³	98,591	100,415	3,399	3,479	3,585	3,568	3.2	3.1	3.1	4	4			
Total employed	92,442	96,010	3,094	3,148	3,250	3,339	4.1	5.4	3.9	8	8			
Total unemployed	6,149	3,805	315	231	255	229	-8.8	-19.1	-8.8	-19	-19			
Percent unemployed	6.2	3.8	9.3	7.8	7.3	6.4	-	-	-	-	-			

1. Detail may not add to total's because of rounding.

2. Based on unrounded data.

3. Unemployment in 1978:IV, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

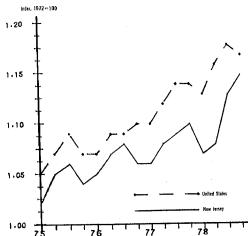


Chart 8.—Civilian Employment

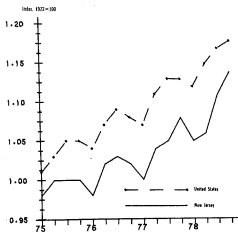


Chart 9.—Unemployment Rate

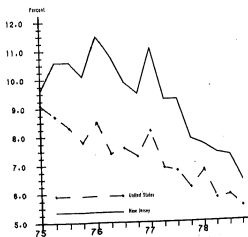
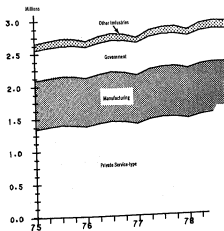


Chart 10.—Industrial Composition of Nonagricultural Employment: New Jersey



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and New Jersey Through Fourth Quarter, 1978

	United States			New Jersey			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III - 1978:III		1977:III - 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total assets	610,562	n.a.	55,915	15,523	17,875	n.a.	16.3	13.7		
Customer and institutional	195,217	n.a.	3,834	4,671	4,415	n.a.	34.2	13.4		
Loans to individuals	140,589	n.a.	3,623	3,739	4,266	n.a.	20.2	17.2		
Real estate	177,815	n.a.	5,044	6,084	7,060	n.a.	19.9	14.5		
Business	105,736	n.a.	4,220	4,352	4,890	n.a.	21.3	14.7		
Other	7,221	n.a.	17	16	16	n.a.	10.7	-3.1		
Total, excluding real estate	62,968	n.a.	2,439	2,538	2,755	n.a.	18.0	14.6		
Other	25,794	n.a.	13	11	12	n.a.	6.8	-1.8		
Other	68,947	n.a.	802	828	743	n.a.	8.9	-7.3		
Total deposits	528,911	n.a.	21,834	25,710	28,377	n.a.	11.5	7.5		
Demand	377,583	n.a.	8,489	9,430	9,144	n.a.	10.2	6.1		
Time and savings	547,828	n.a.	16,075	35,280	17,233	n.a.	12.3	7.2		

1. Other may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 10.8 percent in the State and 16.8 percent in the Nation (table 6). In 1978:IV, contracts in the State totaled \$1.2 billion, for a gain over the year of \$118 million.

National construction costs increased about 13 percent; if this increase is representative of cost changes in New Jersey, the real valuation of construction contracts declined about 2 percent in the State, in contrast with a national gain of about 4 percent.

The valuation of nonbuilding contracts declined 4.3 percent in the State, in contrast with a gain of 22.2 percent in the Nation. Primarily accounting for the State's weakness was a decline of 61.2 percent in the valuation of street and highway contracts. Nationally, the valuation of street and highway contracts declined 16.3 percent.

Contracts for additions and alterations to residential housekeeping units declined 0.6 percent in valuation in the State versus a 14.6-percent gain in the Nation. The valuation of contracts for resident housekeeping units increased 14.0 percent in New Jersey, 1.6 percentage points less than nationally. The number of dwelling units started increased 5.5 percent (502 units), to 9,645 units. Nationally, in contrast, the number of dwelling units started was virtually unchanged at a high level.

Nonresidential construction was the only strong construction category in the State. The valuation of nonresidential contracts increased 34 percent, over twice as much as nationally.

Chart 3.—Construction Contracts—Total Valuation

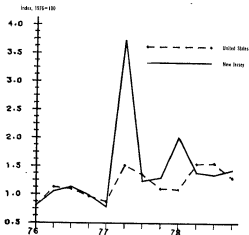


Chart 15.—Construction Contracts—Valuation of Contracts by Type: New Jersey

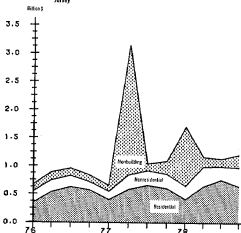


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

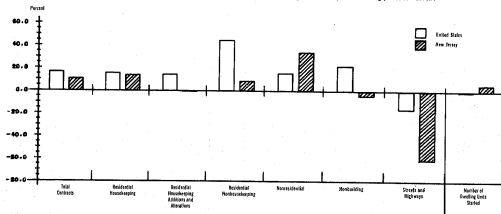


TABLE 6.—Construction Contracts, United States and New Jersey Through Fourth Quarter, 1978¹

	United States			New Jersey			U.S.	State	U.S.	State
	1977:IV	1978:IV	1978:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:III	
	Not seasonally adjusted						Percent change ²			
Total value of contracts	36,911,111	45,456,777	1,035,862	1,696,437	1,135,921	1,266,379	14.5	9.2	16.8	10.8
Percentages of new, additions and alterations										
Percent of new, additions and alterations	7,701,887	8,832,353	320,466	288,563	376,708	286,717	18.8	17.5	14.6	-1.5
A) (Percent of total)										
Number of contracts	62,789	56,928	1,586	1,858	1,553	1,564	4.4	-8.0	-5.3	-15.2
Value of contracts (thousands of dollars)	11,195,174	26,637,429	779,386	881,964	793,215	921,659	14.0	5.5	17.4	14.9
Value of new, additions and alterations (thousands of dollars)	881,653	971,596	26,423	16,982	21,158	21,158	10.8	3.6	10.2	11.4
Percent of new, additions and alterations	34,825	14,192	197	191	145	161	-5.1	-24.4	-4.3	-15.7
Number of contracts	445,772	443,075	9,782	9,143	9,785	9,845	1.0	-8	-6	55
Value of contracts (thousands of dollars)	14,879,596	17,158,558	334,199	332,085	380,857	345,018	15.3	14.3	15.6	14.9
Value of new, additions and alterations (thousands of dollars)	578,723	640,786	12,426	10,952	13,426	12,470	19.3	8.0	10.7	14.4
Percent of new, additions and alterations	587	565	34	28	12	26	-10.0	-14.3	-4	0
Value of contracts (thousands of dollars)	338,637	493,779	7,215	12,437	3,344	14,626	9.4	-53.7	44.8	9.8
Value of new, additions and alterations (thousands of dollars)	8,460	10,580	155	213	126	380	-7	-18.6	24.7	11.8
Percent of new, additions and alterations	33,795	27,855	842	961	787	775	-2.5	-6.5	-12.0	15.1
Value of contracts (thousands of dollars)	9,334,415	10,614,769	259,677	250,679	237,569	337,277	27.6	-8.5	15.8	34.4
Value of new, additions and alterations (thousands of dollars)	231,252	315,740	7,839	7,777	7,604	6,336	12.2	-3.0	8.9	7.2
Percent of new, additions and alterations	16,701	15,176	632	684	603	597	22.4	-6.7	-9.1	-11.3
Value of contracts (thousands of dollars)	5,652,495	8,377,854	118,305	234,932	136,435	224,738	-1	15.3	22.2	-1.3
Value of new, additions and alterations (thousands of dollars)	4,686	4,959	199	243	229	182	9.3	10.6	-17.8	-25.1
Value of contracts (thousands of dollars)	2,338,681	1,931,241	51,743	85,534	29,442	34,495	3.0	-42.1	-16.3	-61.2

1. Contracts started or expected to start within 60 days.
2. Percent changes for New Jersey based on expanded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Data for New Jersey may not add to totals because of rounding.

Retail Sales

Retail sales in New Jersey totaled \$8.3 billion in 1978:IV, up 18.3 percent (\$1.3 billion) since 1977:IV, or almost one and two-thirds times the national increase (table 7). In 1978:IV, nondurable goods accounted for \$3.4 billion, and durable goods accounted for \$2.9 billion.

TABLE 7.—Retail Sales, United States and New Jersey Through Fourth Quarter, 1978

	United States			New Jersey			U.S.	State	U.S.	State
	1977:IV	1978:IV	1978:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted						Percent change			
Total sales	187,030	219,020	5,594	7,070	4,398	6,306	30.3	7.1	11.2	18.3
Durable goods	62,385	71,572	n.a.	n.a.	2,066	2,900	11.8	—	15.3	—
Nondurable goods	124,645	147,447	n.a.	n.a.	4,332	5,406	9.8	—	9.2	—

n.a. Data not available.

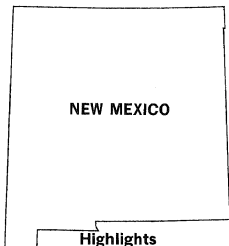
Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and New Jersey Through Fourth Quarter, 1978

	United States			New Jersey			U.S.	State	U.S.	State
	1977:IV	1978:IV	1978:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Not seasonally adjusted						Percent change			
New business incorporations	109,413	n.a.	4,558	4,823	5,811	n.a.	6.7	9.9	—	—
Total number of business failures	1,584	n.a.	104	125	89	n.a.	-8.5	-14.4	—	—
Current liabilities (thousands of dollars)	484,296	n.a.	50,405	43,519	55,285	n.a.	-41.2	9.5	—	—
Average liability per failure (thousands of dollars)	288	n.a.	485	348	621	n.a.	-38.4	28.0	—	—
Business failures by industry										
Mining and manufacturing	748	n.a.	13	15	14	n.a.	-10.1	7.7	—	—
Construction	310	n.a.	25	15	11	n.a.	1.0	-26.7	—	—
Wholesale trade	191	n.a.	14	32	15	n.a.	-22.1	7.1	—	—
Retail trade	588	n.a.	57	51	39	n.a.	-4.2	-25.4	—	—
Commercial services	238	n.a.	9	21	11	n.a.	-24.9	72.2	—	—

n.a. Data not available.
Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of the Bureau of Economic Analysis.

**1977:IV to 1978:IV****Personal Income**

- Up 14.0% vs. 12.6% in U.S., to \$8.3 billion
- Private service-type payrolls up 15.7% vs. 13.1% in U.S.
- State and local government payrolls up 10.8% vs. 6.8% in U.S.

Employment

- Up 5.2% vs. 3.9% in U.S., to 503,000

Unemployment

- Down 2,000, to 32,000
- Rate down 0.7 percentage point, to 6.0% of labor force vs. 5.5% in U.S.

Construction

- Total valuation of contracts down 4.8% vs. 16.8% gain in U.S., to \$274 million
- Number of dwelling-unit starts down 28.1% vs. near stability in U.S., to 2,490

TABLE 1.—Summary of Economic Indicators, United States and New Mexico Through Fourth Quarter, 1978

	United States			New Mexico			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III-IV	1978:III-IV	1977:III-IV
	All indicators, except income, not seasonally adjusted						Percent change		
Total personal income (millions of dollars)	1,583,508	1,782,519	7,032	7,271	8,913	8,289	12.4	14.3	12.6
Total wages and salaries (millions of dollars)	1,013,216	1,148,896	4,506	4,667	5,189	5,358	12.1	15.2	12.6
Civilian employment (thousands)	92,442	96,000	479	478	597	593	4.1	5.8	3.9
Unemployment (thousands)	8,149	5,185	38	34	30	32	-9.8	-26.5	-8.8
Percent unemployed (unemployment/labor force)	8.2	5.5	7.4	6.7	5.6	6.0	---	---	---
Total loans (millions of dollars)	818,582	n.a.	2,321	2,426	2,738	n.a.	16.3	18.0	---
Total deposits (millions of dollars)	925,511	n.a.	3,602	3,831	4,116	n.a.	11.5	14.3	---
Total valuation of construction contracts (thousands of dollars)	38,913,131	45,459,773	325,113	288,074	302,591	274,116	14.5	-7.2	16.9
Dwelling units started (number)	445,772	443,075	3,933	3,462	3,466	2,490	1.0	-13.3	-5
Total retail sales (millions of dollars)	137,039	219,020	n.a.	n.a.	n.a.	n.a.	18.3	---	11.2
New business incorporations (number)	126,413	n.a.	574	493	793	n.a.	8.2	32.5	---
Business failures (number)	1,684	n.a.	2	4	6	n.a.	-9.5	---	---
Consumer Price Index (1967=100):									
U.S. city average	165.3	201.8	---	---	---	---	7.9	---	8.9

n.a.: Data not available.
Source: See tables 2 through 6.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in New Mexico increased 14.0 percent from 1977:IV to 1978:IV, leading the Nation's 12.6-percent increase (table 2). The State's total personal income increased \$1.0 billion from year to year, reaching \$8.3 billion in 1978:IV. Since the last national business cycle peak in 1973:IV, New Mexico's economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 30 percent more than nationally, ranking New Mexico seventh among all States.

Wage and salary disbursements (payrolls) increased 14.8 percent from 1977:IV to 1978:IV, over 2 percentage points above the national average. All private service-type industry payrolls increased at rates

which exceeded those of national counterparts. Finance-insurance-real estate payrolls increased 19.5 percent, one of the largest increases in the Nation. Trade payrolls increased 16.7 percent, leading the national average increase of 14.1 percent. Services payrolls increased 14.6 percent, almost 2 percentage points higher than the Nation's increase. Transportation-communication-public utilities payrolls increased 13.8 percent, leading the 11.3-percent national average increase.

Government payrolls increased 9.8 percent from year to year, to \$1.6 billion. State and local government payrolls increased 10.8 percent, exceeding the Nation's increase by 4 percentage points. Federal Government payrolls increased 8.5 percent, the smallest payroll increase among major industries in New Mexico, compared with a 7.1-percent increase nationally.

Durables manufacturing payrolls increased 14.4 percent, lagging the Nation's increase of 15.2 percent. Mining payrolls increased 29.3 percent, to \$486 million. The increase was the largest among the State's major industries, but it fell short of the 33.9-percent increase registered nationally. Construction payrolls increased 16.3 percent, almost 4 percentage points below the Nation's increase, to \$446 million.

In New Mexico, State unemployment insurance benefits declined from \$29 million in 1977:IV to \$21 million in 1978:IV, a 25.5-percent decline, compared with a national decline of 30.3 percent.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
(Seasonally adjusted)

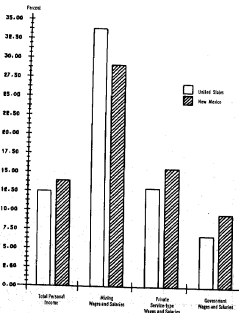


Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

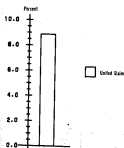


Chart 3.—Total Personal Income
(Seasonally adjusted)

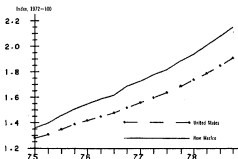


Chart 4.—Industrial Composition of Wages and Salaries: New Mexico
(Seasonally adjusted)

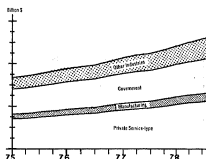


TABLE 2.—Personal Income, United States and New Mexico Through Fourth Quarter, 1978

	United States			New Mexico			U.S. State U.S.		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:IV—1978:IV
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²		
Total personal income.....	1,583,580	1,782,519	7,832	7,271	8,013	8,289	12.4	14.0	12.6
Farm personal income.....	31,224	30,451	156	174	181	195	47.5	3.5	26.3
Nonfarm personal income.....	1,552,356	1,752,068	6,676	7,097	7,832	8,094	11.9	14.2	13.3
Total personal income.....	1,583,580	1,782,519	7,832	7,271	8,013	8,289	12.4	14.0	12.6
Wage and salary disbursements.....	1,013,216	1,140,096	4,506	4,087	5,189	5,358	12.1	15.2	12.6
Other labor income.....	95,016	111,719	380	406	423	430	17.0	20.2	16.4
Proprietors' income.....	395,953	425,965	456	482	506	514	21.5	10.3	18.9
Farms.....	23,636	31,344	105	122	167	138	65.6	15.3	31.2
Nonfarms.....	82,317	94,861	350	360	396	416	12.8	13.7	15.3
Dividends, interest, and rent.....	214,932	242,442	340	364	1,284	1,085	12.3	17.1	12.8
Transfer payments.....	235,344	233,750	1,051	1,071	1,156	1,178	8.8	10.2	8.2
State unemployment insurance benefits.....	31,128	7,763	28	25	22	21	-24.0	-18.9	-30.2
Less: personal contributions.....	62,212	71,519	282	252	237	245	14.8	19.4	15.1
Plus: residence adjustment.....	-421	-473	-26	-25	-36	-31	---	---	---
Wage and salary disbursements.....	1,013,216	1,140,096	4,506	4,087	5,189	5,358	12.1	15.2	12.6
Farm.....	7,176	7,939	49	50	53	55	8.5	7.6	10.0
Nonfarm.....	1,006,040	1,132,157	4,457	4,037	5,136	5,303	12.1	15.2	12.6
Mining.....	14,948	18,813	375	376	471	486	26.5	25.6	33.9
Construction.....	15,648	66,838	357	364	438	445	19.1	22.8	29.1
Manufacturing.....	275,112	312,379	318	342	367	392	12.1	15.4	13.3
Durable goods.....	175,216	203,053	193	208	225	238	13.7	16.6	15.2
Nondurable goods.....	99,896	109,327	125	134	142	154	9.4	13.6	10.0
Private service-type.....	455,704	515,348	1,929	2,006	2,241	2,322	12.8	16.1	13.1
Transportation, communication, and public utilities.....	76,584	85,324	354	369	406	420	10.4	15.1	11.3
Wholesale and retail trade.....	178,888	195,035	722	742	833	857	13.6	15.4	14.1
Finance, insurance, and real estate.....	54,452	61,653	171	181	359	216	14.1	22.6	13.2
Services.....	193,840	175,356	583	714	751	818	12.6	15.9	12.7
Government.....	291,252	215,083	1,405	1,455	1,685	1,643	7.4	9.6	5.9
Federal.....	68,176	73,000	623	648	636	703	7.3	8.4	7.1
State and local.....	133,076	142,083	842	848	929	940	7.5	10.4	5.8
Other.....	3,716	3,985	13	13	15	15	18.7	17.8	14.6

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Models Division.

TABLE 3.—Consumer Price Index, United States and New Mexico Through Fourth Quarter, 1978¹

	United States			New Mexico			U.S. State U.S.		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:IV—1978:IV
	Index, 1967=100, not seasonally adjusted						Percent change		
U.S. city average.....	185.3	291.4	---	---	---	---	7.9	---	8.9

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 80 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978; and revised data are used for subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, New Mexico's civilian labor force increased 4.5 percent, leading the Nation's advance by 1.4 percentage points (table 4). Total employment increased from 478,000 to 503,000, a 5.2-percent advance that exceeded the national average advance of 3.9 percent.

With employment increasing by 25,000 and the labor force increasing by only 23,000, the number of unemployed declined by 2,000. The unemployment rate declined 0.7 percentage point, the same decline as

nationally, to 6.0 percent of the labor force. In 1978:IV, the national unemployment rate was 5.5 percent.

Across the State, unemployment rates varied somewhat. According to preliminary data for December 1978, the unemployment rate in Albuquerque metropolitan area (Bernalillo County) was 5.6 percent compared with a preliminary State rate of 6.0 percent. The unemployment rate outside of Bernalillo County was 6.2 percent.

Chart 3.—Labor Force, Employment, and Unemployment, 1978:II: New Mexico

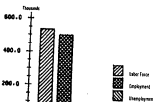


Chart 4.—Unemployment Rates, 1977:IV—1978:IV

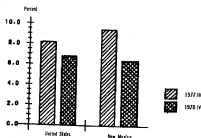


TABLE 4.—Labor Force, United States and New Mexico Through Fourth Quarter, 1978

	United States						New Mexico			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:III—1978:III	1977:IV—1978:IV					
	Thousands of persons, not seasonally adjusted ¹						Percent change ²						
Employees on nonagricultural payrolls	84,210	87,768	423	426	453	456	4.3	7.2	4.2	6.1			
Mining	787	899	24	24	25	25	8.2	3.8	14.2	4.1			
Construction	4,602	4,488	33	22	26	35	10.4	10.1	11.3	9.1			
Manufacturing	15,986	20,722	32	32	34	35	3.1	5.9	3.7	8.8			
Transportation, communication, and public utilities	4,761	4,971	25	26	27	28	3.8	7.3	4.4	8.2			
Wholesale and retail trade	18,152	20,015	98	99	106	107	5.3	8.1	4.5	8.8			
Finance, insurance, and real estate	4,052	4,756	19	19	20	20	4.8	7.0	-2.0	7.3			
Services	15,339	16,215	58	60	66	66	4.5	8.8	4.4	8.1			
Government	15,434	15,606	84	82	91	91	5.3	1.4	5.0	5.0			
Civilian labor force ³	96,581	101,815	517	513	538	535	3.2	3.9	3.1	4.5			
Total employed	92,447	96,010	478	478	507	503	4.1	5.8	3.9	5.2			
Total unemployed	5,140	5,805	38	34	30	32	-9.8	-20.5	-8.8	-5.5			
Percent unemployed	6.2	5.8	7.4	6.7	5.6	6.0	-0.6	-0.4	-0.6	-0.5			

¹ Detail may not add to totals because of rounding.

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

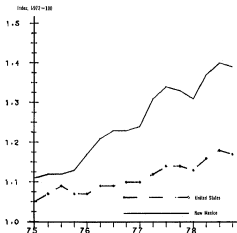


Chart 8.—Civilian Employment

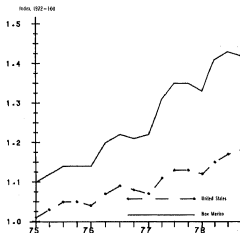


Chart 9.—Unemployment Rate

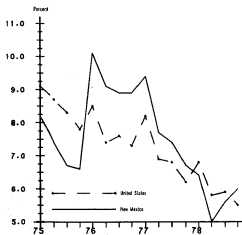
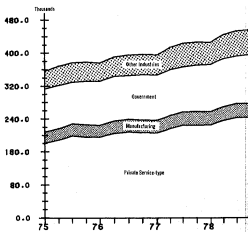


Chart 10.—Industrial Composition of Nonagricultural Employment



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and New Mexico Through Fourth Quarter, 1978

	New Mexico, Banking Assets and New Mexico Through Fourth Quarter, 1978															
	United States					New Mexico			U.S.		State		U.S.		State	
	1977:IV		1978:IV		1978:III	1977:IV		1978:III		1977:III-1978:II		1977:IV-1978:III		1977:IV-1978:IV		
	Millions of dollars, not seasonally adjusted ¹													Percent change ²		
Total loans	609,992	n.a.	2,320	2,436	2,738	n.a.	n.a.	n.a.	n.a.	16.3	18.6	---	---	---	---	
Commercial and industrial	196,317	n.a.	768	780	831	n.a.	n.a.	n.a.	n.a.	14.2	17.4	---	---	---	---	
Loans to individuals	140,588	n.a.	791	812	848	n.a.	n.a.	n.a.	n.a.	20.7	19.8	---	---	---	---	
Real estate	177,935	n.a.	556	604	724	n.a.	n.a.	n.a.	n.a.	19.9	27.8	---	---	---	---	
Residential	181,236	n.a.	217	217	271	n.a.	n.a.	n.a.	n.a.	21.3	28.5	---	---	---	---	
Farms	7,781	n.a.	25	24	28	n.a.	n.a.	n.a.	n.a.	10.7	6.8	---	---	---	---	
Other	68,968	n.a.	323	362	426	n.a.	n.a.	n.a.	n.a.	19.0	29.0	---	---	---	---	
Farms, excluding real estate	25,704	n.a.	186	178	189	n.a.	n.a.	n.a.	n.a.	6.8	1.5	---	---	---	---	
Other	43,264	n.a.	35	71	47	n.a.	n.a.	n.a.	n.a.	8.0	-32.8	---	---	---	---	
Total deposits	825,511	n.a.	3,602	3,631	4,115	n.a.	n.a.	n.a.	n.a.	11.5	14.3	---	---	---	---	
Demand	377,683	n.a.	1,359	1,490	1,534	n.a.	n.a.	n.a.	n.a.	10.2	13.0	---	---	---	---	
Time and savings	547,828	n.a.	2,244	2,340	2,582	n.a.	n.a.	n.a.	n.a.	12.3	15.1	---	---	---	---	

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

The total valuation of contracts in New Mexico declined 4.8 percent from 1977:IV to 1978:IV, comparing unfavorably with the Nation's 16.8-percent gain, to \$274 million (table 6). The State's percent decline was exceeded by declines in only three States. National construction costs rose almost 13 percent during the same timespan; if this rise reflects the advance throughout New Mexico, the real valuation of contracts declined about 18 percent in the State versus a national rise of about 4 percent.

Weakness in the State's residential housekeeping market was mainly responsible for the decline in New Mexico's total valuation of contracts. Statewide, the valuation of residential housekeeping contracts declined 16.0 percent, comparing unfavorably with the Nation's 15.6-percent average gain and ranking as the largest decline among all States. The number of dwelling units started declined 28.1 percent, or 1,000 units, to 2,500. Nationally, in contrast, the number of dwelling units started was almost unchanged at a high level.

The valuation of nonbuilding contracts declined 8.7 percent, compared with a national gain of 22.2 percent, to \$51 million. The street and highway component of nonbuilding contracts contributed substantially to New Mexico's decline, as the valuation of street and highway contracts declined by almost one-third; nationally, the valuation of street and highway contracts declined 16.3 percent.

Nonresidential contracts rose 2.0 percent in valuation, compared with a national average gain of 15.8 percent, to \$74 million.

The valuation of contracts for additions and alterations to residential housekeeping units rose 23.3 percent, the only large gain registered in the major construction market in New Mexico. Nationally, the valuation of addition and alteration contracts rose 14.6 percent.

Chart 14.—Construction Contracts—Total Valuation

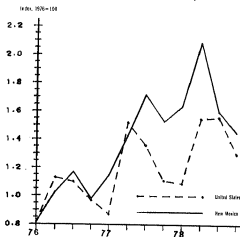


Chart 15.—Construction Contracts—Valuation of Contracts by Type: New Mexico

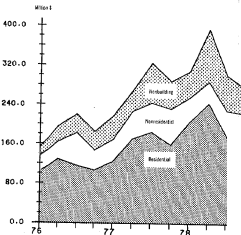
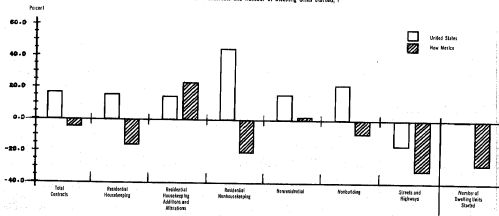


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, 1



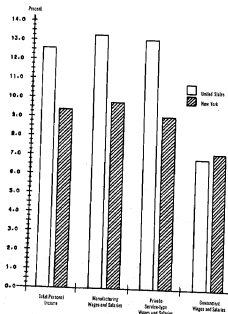
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 9.4 percent from 1977:IV to 1978:IV, 3.2 percentage points less than nationally (table 2). In 1978:IV, New York's total personal income was \$151.9 billion, for an increase of \$13.0 billion since 1977:IV. Among all States, New York's increase ranked 48th, ahead of increases in South Dakota and Alaska (and the District of Columbia). Changes in all major private income components were below those registered in the corresponding components nationally. Most States in the Midwest region had below-average increases in personal income.

Since the last national business cycle peak (1973:IV), New York's economy has grown slowly; the increase in nonfarm income was 30 percent less than nationally, ranking New York 50th among all States. The increase in New Jersey, which ranked 49th, was 21 percent less than nationally.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)



Consumer prices from 1977:IV to 1978:IV increased 6.5 percent in the Buffalo metropolitan area and 6.2 percent in the New York City-Northeast New Jersey area; both of these increases were well below the national increase of 8.9 percent (table 3). If the average price increase in these areas—6.4 percent—is used as an indicator for price movements in the State, real total personal income in New York increased 3.0 percent from year to year versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 9.2 percent in New York versus 12.6 percent in the Nation. In 1978:IV, payrolls totaled \$99.9 billion, up \$5.4 billion from year to year. New York's increase ranked 49th among all States.

Manufacturing payrolls increased 9.8 percent in the State and 13.1 percent in the Nation. Weakness extended to both durable goods and nondurable goods manufacturing. Private service-type industry payrolls increased 9.1 percent in New York and 13.1 percent in the Nation. The increase in transportation-communication-public utilities was particularly weak. The increase in trade was somewhat less than nationally. Construction payrolls increased 17.4 percent in the State and 20.1 percent in the Nation.

In contrast to private payrolls, government payrolls increased more in New York than in the Nation. Strength was particularly pronounced in Federal payrolls, up 10.0 percent in New York versus 7.1 percent in the Nation.

With New York's economic advance lagging the Nation's, State unemployment insurance benefits declined 25.1 percent in New York and 30.3 percent in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

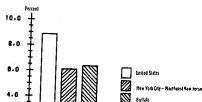


Chart 3.—Total Personal Income
(Seasonally adjusted)

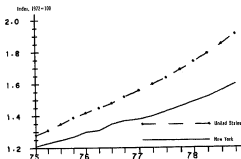


Chart 4.—Industrial Composition of Wages and Salaries: New York
(Seasonally adjusted)

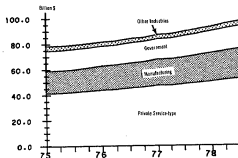


TABLE 2.—Personal Income, United States and New York Through Fourth Quarter, 1978

	United States			New York			U.S. State U.S.		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:III— 1978:III	1977:III— 1978:III
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²		
Total personal income.....	1,583,508	1,782,519	136,010	136,060	146,533	151,879	12.8	9.2	12.6
Farm personal income.....	30,224	39,491	321	370	504	535	47.9	57.2	26.3
Nonfarm personal income.....	1,553,284	1,743,028	135,689	135,690	146,029	151,344	11.9	9.1	12.7
Total personal income.....	1,583,508	1,782,519	136,010	136,060	146,533	151,879	12.8	9.2	12.6
Wages and salary disbursements.....	1,013,216	1,148,686	89,656	91,512	97,591	98,943	12.3	8.9	12.6
Other labor income.....	95,086	111,719	7,596	7,905	8,610	8,824	17.6	13.3	16.4
Proprietors' income.....	165,343	125,605	5,978	6,078	6,298	6,796	21.5	10.3	18.9
Income.....	23,538	31,204	65	130	240	268	66.6	108.9	31.3
Nonfarm.....	82,317	94,951	5,886	5,949	6,344	6,522	12.8	7.8	15.3
Dividends, interest, and rent.....	214,895	242,412	21,577	22,422	23,167	24,706	12.3	10.1	12.8
Transfer payments.....	215,944	233,750	21,282	21,726	23,167	23,406	8.8	8.4	8.2
State unemployment insurance benefits.....	11,928	7,753	1,244	1,231	1,637	927	-24.0	-18.9	-50.3
Less: personal contributions.....	52,212	71,619	5,218	5,283	5,189	5,879	14.8	10.5	15.1
Plus: residence adjustment.....	-401	-473	-5,362	-5,431	-5,528	-5,944	---	---	---
Wage and salary disbursements.....	1,013,216	1,148,686	89,656	91,512	97,591	98,943	12.1	8.9	12.6
Farm.....	2,178	2,839	212	224	277	243	8.5	11.9	10.6
Nonfarm.....	1,006,040	1,132,757	89,444	91,289	97,314	98,700	12.1	8.4	12.6
Mining.....	14,618	18,613	165	154	177	115	26.5	7.8	33.9
Construction.....	55,648	56,859	2,882	2,831	3,238	3,374	16.1	11.7	20.1
Manufacturing.....	276,112	312,870	26,599	28,615	23,061	23,741	12.1	19.3	13.3
Durable goods.....	176,216	201,653	12,657	12,999	13,577	14,082	13.7	12.6	15.2
Non-durable goods.....	99,896	109,617	8,873	9,106	9,504	9,999	9.4	7.1	10.6
Private service-type.....	455,744	515,248	48,456	48,536	52,805	54,066	12.8	8.0	13.1
Transportation, communication, and public utilities.....	76,584	85,264	7,536	7,931	8,140	8,330	16.4	8.0	13.1
Wholesale and retail trade.....	130,888	145,035	14,551	14,758	16,316	16,639	13.6	12.1	14.3
Finance, insurance, and real estate.....	54,457	61,653	6,255	6,696	6,298	6,465	14.3	6.7	13.3
Services.....	153,840	173,396	17,818	18,148	19,666	19,630	12.6	7.0	12.7
Government.....	201,252	215,863	15,396	16,546	17,820	18,162	7.4	9.1	6.9
Federal.....	68,176	73,803	3,646	3,753	3,226	3,467	7.3	7.6	7.1
State and local.....	133,076	142,060	11,750	12,793	14,594	14,695	7.5	5.8	8.8
Other.....	3,216	3,685	263	268	236	233	18.7	16.4	14.6

1. Detail may not add in tabular because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Division.

TABLE 3.—Consumer Price Index, United States and New York Through Fourth Quarter, 1978¹

	United States			New York			U.S. State U.S.		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:III— 1978:III	1977:III— 1978:III
	Index, 1957=100, not seasonally adjusted						Percent change		
U.S. city average.....	185.3	201.8	182.7	185.1	194.7	197.1	7.9	6.6	4.3
Buffalo.....	---	---	182.7	185.1	194.7	197.1	---	6.6	---
New York City—Nonresidential New Jersey.....	---	---	182.6	184.3	196.9	200.0	---	5.2	---

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 15 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Revised data are used for the quarters prior to January 1978, and revised data are used for subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, the civilian labor force increased 2.7 percent, 0.4 percentage point less than in the Nation (table 4). Total employment in New York increased 4.1 percent, or slightly more than nationally, to 7.4 million.

With the labor force increasing 207,000 and employment increasing 291,000, unemployment declined 84,000, to 575,000. In 1978:IV, New York's unemployment rate was 7.2 percent versus a U.S. rate of 5.5 percent. Only three States—Alaska, Hawaii, and Arkansas—and the District of Columbia had higher rates. New York's unemployment rate

declined 1.3 percentage points from year to year versus a decline in the Nation of 0.7 percentage point. Sharper declines than New York's were registered in 11 States, many of them in New England.

In December 1978, the preliminary unemployment rate in New York was 6.6 percent, down 1.5 percentage points over the year. Rates in the major metropolitan areas of the State ranged from 8.0 percent in New York City to 4.4 percent in Poughkeepsie. December 1978 rates were lower than December 1977 rates in all ten major metropolitan areas in the State.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV, New York

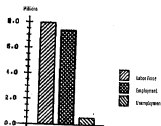


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

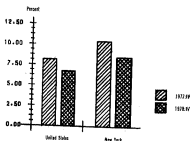


TABLE 4.—Labor Force, United States and New York Through Fourth Quarter, 1978

	United States			New York			U.S.		State		
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:III— 1978:IV		1977:III— 1978:IV		
	Thousands of persons, not seasonally adjusted ¹						Percent change ²				
Employees on nonagricultural payrolls											
Mining	84,210	87,788	6,961	4,923	7,096	7,829	4.3	1.5	4.2	1.8	
Construction	787	899	8	7	7	7	-2.3	14.2	-5.4		
Manufacturing	4,032	4,488	238	205	238	234	10.4	5.5	11.3	4.3	
Transportation, communication, and public utilities	19,566	20,722	425	1,419	1,485	1,485	3.1	1.0	3.7	1.1	
Wholesale and retail trade	4,361	4,571	425	428	422	427	3.8	-5.5	4.4	-2.2	
Finance, insurance, and real estate	18,352	20,605	1,439	1,460	1,451	1,482	5.3	1.4	4.5	1.6	
Services	4,892	4,756	582	538	587	585	4.8	4.4	1.8		
Government	15,039	16,215	1,502	1,498	1,372	1,353	4.6	1.3	4.4	1.8	
	15,434	16,654	1,219	1,271	1,335	1,286	7.1	3.9	1.4	2.0	
Civilian labor force³	84,581	88,635	7,826	7,769	7,872	7,876	3.2	1.9	3.1	2.7	
Total employed	82,462	86,010	7,159	7,110	7,272	7,401	4.1	3.0	3.9	4.1	
Total unemployed	6,149	6,605	866	659	600	575	-9.1	-16.2	-8.1	-12.8	
Percent unemployed	6.2	5.5	8.5	8.5	7.8	7.2					

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

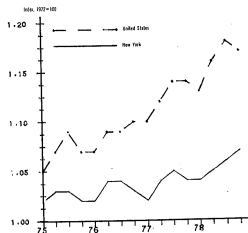


Chart 8.—Civilian Employment

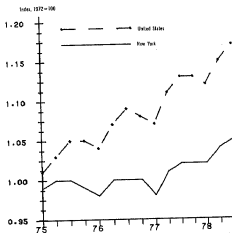


Chart 9.—Unemployment Rate

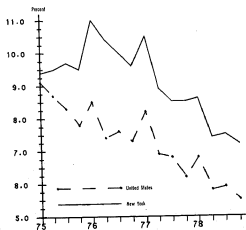
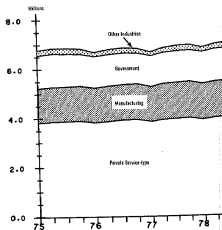


Chart 10.—Industrial Composition of Nongovernmental Employment



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and New York Through Fourth Quarter, 1978

	United States		New York			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:IV	1978:IV	1978:IV	1977:IV— 1978:IV		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted ¹					Percent change ²			
Total loans	600,902	n.a.	90,346	96,428	181,251	n.a.	16.3	12.3	---
Commercial and industrial	196,387	n.a.	41,962	46,616	46,308	n.a.	14.2	10.4	---
Loans to individuals	149,590	n.a.	16,684	11,282	11,985	n.a.	20.2	30.2	---
Real estate	177,920	n.a.	34,317	14,512	15,476	n.a.	33.5	9.8	---
Farmland	120,296	n.a.	7,483	7,582	8,537	n.a.	21.3	15.4	---
Other	7,701	n.a.	118	118	122	n.a.	10.7	3.8	---
Farmland, including real estate	82,968	n.a.	6,516	6,868	6,716	n.a.	13.6	3.8	---
Other	25,704	n.a.	700	368	357	n.a.	8.8	1.9	---
Total deposits	619,847	n.a.	23,032	25,844	25,215	n.a.	8.0	9.5	---
Demand	406,511	n.a.	13,842	14,278	14,142	n.a.	12.5	18.2	---
Time and savings	317,683	n.a.	9,667	78,241	78,879	n.a.	10.2	9.2	---
	610,828	n.a.	61,275	68,531	68,264	n.a.	12.3	11.2	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 31.5 percent in New York versus 16.8 percent in the Nation (table 6). Only six States had larger gains. In 1978:IV, contracts in the State totaled \$2.4 billion, for a gain over the year of \$577 million. About seven-tenths of New York's total gain in the valuation of contracts was traceable to four contracts in 1978:IV with a combined valuation of \$405 million; the contracts were for a commercial warehouse in Suffolk County, and a railroad tunnel, an office building, and a university-college project in New York City. The four contracts raised the State's total valuation of contracts to an unusually high level, thereby distorting the year-to-year change. If the four contracts are excluded, the total valuation of contracts in the State would have increased only 9.4 percent.

National construction costs increased about 13 percent; if this increase is representative of cost changes in New York, the real valuation of construction contracts (including the four large contracts) increased more than 18 percent in the State versus about 4 percent in the Nation.

Partly reflecting the railroad tunnel contract, the valuation of nonbuilding contracts increased 61.7 percent (\$255 million) in the State

versus 22.2 percent in the Nation. Only ten States had larger gain. The railroad tunnel contract is excluded, the total valuation of nonbuilding contracts would have increased about 17 percent. The valuation of street and highway contracts declined 47.4 percent in New York versus 16.3 percent nationally.

Reflecting the commercial warehouse, the office building, university-college project contracts, the valuation of nonbuilding contracts increased 38.9 percent versus 15.8 percent in the Nation. New York's gain ranked 11th among all State gains.

The valuation of residential housekeeping contracts increased 21.2 percent more than nationally. Among the nonbuilding contracts, the valuation of nonbuilding contracts started increased 13.4 percent, or 1,461 units, to 12,352 units. Nationally, in contrast, the number of dwelling units started was unchanged at a high level. Contracts for additions and alterations to residential housekeeping units increased 3.6 percent in valuation in New York versus 14.6 percent in the Nation.

Chart 14.—Construction Contracts—Total Valuation

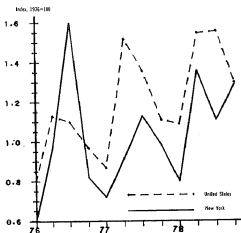


Chart 15.—Construction Contracts—Valuation of Contracts by Type: New York

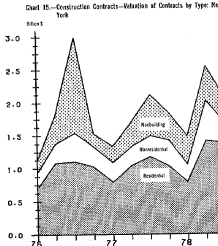


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

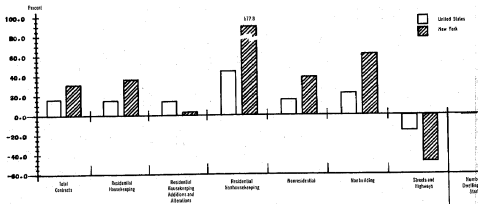


TABLE 6.—Construction Contracts, United States and New York Through Fourth Quarter, 1978¹

	United States			New York			U.S.	State	% change
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV			
	Not seasonally adjusted								
Total construction contracts	38,611,131	45,458,773	2,113,108	1,838,216	2,068,890	2,413,798	14.5	- 2.1	18.1
Nonresidential building and structures	7,707,987	8,832,353	786,005	669,882	878,822	633,721	16.8	18.7	18.6
Manufacturing buildings	42,789	56,938	2,351	2,373	2,294	2,035	4.4	2.8	8.7
Offices, business buildings	31,255,124	36,627,420	1,347,191	1,166,334	1,189,768	1,726,577	14.0	13.7	17.8
Government buildings	881,413	971,598	22,526	19,840	22,075	26,561	10.8	2.1	11.2
Nonresidential building, n.e.c.	14,825	14,182	356	359	359	374	5.1	5.5	4.3
Residential building	446,772	443,075	11,917	10,891	11,314	12,352	1.0	9.1	4
Hotels, motels, tourist accommodations	14,819,596	17,188,518	284,654	282,103	439,911	481,555	15.1	12.5	17.6
Apartment houses, tenements	526,723	561,776	14,880	12,262	13,639	14,597	10.3	9.9	10.7
Single-family detached houses	507	505	16	13	19	15	-10.0	14.4	8
Condominiums, town houses, etc.	338,837	498,278	13,733	8,802	58,805	26,670	9.4	124.8	13.8
Mobile homes	8,457	10,580	393	149	1,891	696	-7.7	175.7	24.5
Warehouses	38,756	27,055	1,805	1,174	916	934	-2.5	9	12.1
Transportation buildings	8,304,415	10,810,758	371,521	280,567	308,735	542,445	22.6	8.2	19.8
Highways, bridges, tunnels, etc.	293,253	319,240	7,954	7,480	7,384	11,276	12.2	7.8	8.9
Water supply, sewerage, etc.	16,702	15,116	964	817	920	711	22.4	8.4	4.1
Sanitary, heating, etc.	6,852,436	8,127,854	612,125	414,122	381,556	609,437	-1.3	19.1	22.2
Power, communication, etc.	4,308	4,889	277	177	244	129	9.3	53.9	17.8
Other nonresidential building	2,308,681	1,691,241	265,807	252,000	151,983	79,687	3.0	87.7	16.3

¹ The last date of reporting is 1978 with 62 days.
² The last date of reporting is 1978 with 62 days.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
 NOTE.—Detail for four area data may not add to totals because of rounding.

Retail Sales

Retail sales in New York totaled \$14.8 billion in 1978:IV, up only 4.0 percent (1.7% million) since 1977:IV, compared with an 11.2-percent

national increase (table 7). In 1978:IV, nondurable goods accounted for \$11.2 billion, and durable goods accounted for \$3.6 billion.

TABLE 7.—Retail Sales, United States and New York Through Fourth Quarter, 1978

New York through Fourth Quarter, 1978									
Sales item	United States			New York			U.S.	State	% change
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV			
	Millions of dollars, not seasonally adjusted								
Total sales	107,830	123,620	12,538	14,258	13,184	14,834	18.3	5.7	18.3
Durable goods	82,065	71,573	n.a.	n.a.	2,572	3,468	11.8	.....	19.3
Nondurable goods	134,855	147,447	n.a.	n.a.	3,632	11,195	0.5	.....	9.5
* n.a. Total not available									
Source: U.S. Department of Commerce									

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and New York Through Fourth Quarter, 1978

United States and New York Through Fourth Quarter, 1978										
	United States			New York			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV				
	Not seasonally adjusted									
New business incorporations										
Total number of business failures	109,101	n.a.	22,476	12,284	12,532	n.a.	8.2	3.7		
Government failures (thousands of dollars)	1,646	n.a.	150	162	106	n.a.	-9.5	-29.3		
Non-government failures (thousands of dollars)	484,238	n.a.	638,398	107,705	47,386	n.a.	-44.2	-92.6		
Business failures by industry	288	n.a.	4,247	665	467	n.a.	-38.4	-89.5		
Manufacturing and construction	248	n.a.	36	39	29	n.a.	-10.1	-23.7		
Transportation	319	n.a.	5	6	5	n.a.	1.0	0		
Wholesale trade	191	n.a.	28	22	11	n.a.	-27.1	-60.7		
Retail trade	688	n.a.	54	79	56	n.a.	-4.2	-12.5		
Service	738	n.a.	15	16	5	n.a.	-24.0	-66.7		
Source: Data not available Source: S & B Publications, Inc.										

NOTE.—This table may not be reproduced without the permission of Don & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income	—Up 13.3% vs. 12.6% in U.S., to \$38.3 billion —Farm personal income up 70.5% vs. 26.3% in U.S. —Payrolls up 12.8% in durables manufacturing vs. 15.2% in U.S., and 11.7% in services vs. 12.7% in U.S.
Consumer prices	—Up 7.8% in Atlanta vs. 8.9% in U.S.
Employment	—Up 4.0% vs. 3.9% in U.S., to 2.6 million
Unemployment	—Down 33,000, to 100,000 —Rate down to 3.7% of labor force vs. 5.5% U.S. rate
Construction	—Total valuation of contracts up 25.7% vs. 16.8% in U.S., to \$1.2 billion —Number of dwelling-unit starts up 33.1% vs. near stability in U.S., to 16,011
Retail sales	—Up 9.7% vs. 11.2% in U.S., to \$4.9 billion

TABLE 1.—Summary of Economic Indicators, United States and North Carolina Through Fourth Quarter, 1978

	United States			North Carolina			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:II	1977:II	1978:II	1978:IV	1977:III-1978:II		1977:IV-1978:IV	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars).....	3,883,968	1,782,518	32,068	33,837	37,253	36,322	12.4	12.9	12.8	13.1
Total wages and salaries (millions of dollars).....	1,033,216	1,148,898	21,975	22,484	24,645	25,272	12.1	12.1	12.8	13.1
Civilian employment (thousands).....	92,442	96,039	2,534	2,481	2,619	2,589	4.1	3.4	3.9	4.1
Unemployment (thousands).....	6,149	5,626	152	133	106	100	-8.8	-36.1	-8.8	-24.1
Percent unemployed (unemployment/labor force).....	6.2	5.8	5.6	5.1	3.9	3.7	—	—	—	—
Total loans (millions of dollars).....	600,582	n.a.	9,287	9,535	10,545	n.a.	16.3	13.5	—	—
Total deposits (millions of dollars).....	925,511	n.a.	33,473	34,419	34,896	n.a.	11.5	18.6	—	—
Total valuation of construction contracts (thousands of dollars).....	26,913,111	45,459,773	1,082,887	816,479	1,180,015	1,751,681	14.5	12.8	16.3	25.1
Dwelling units started (number).....	445,772	443,075	14,980	12,032	15,061	15,011	1.0	.4	—	3.1
Total retail sales (millions of dollars).....	197,038	219,820	4,061	4,452	4,485	4,882	18.3	5.9	11.2	11.2
New business incorporations (number).....	399,411	n.a.	2,045	2,371	2,178	n.a.	6.2	6.5	—	—
Business failures (number).....	1,584	n.a.	1	8	23	n.a.	-9.5	+++	—	—
Consumer Price Index (1967=100):										
U.S. city average.....	185.3	201.8	—	—	—	—	7.9	—	8.9	—
Atlanta.....	—	—	193.8	184.5	195.2	198.8	—	6.7	—	—

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 13.1 percent from 1977:IV to 1978:IV versus 12.6 percent nationally (table 2). In 1978:IV, the State's personal income totaled \$38.3 billion, up \$4.5 billion since 1977:IV.

North Carolina's increase in personal income would have been smaller had it not been for a 70.5-percent increase in firm personal income, compared with a 26.3-percent national increase. The State's nonfirm personal income increased 11.7 percent from year to year, 0.6 percentage point less than nationally. Since the most recent national business cycle peak in 1973:IV, North Carolina's nonfirm economy has grown somewhat more slowly than the Nation's; the increase in the State's nonfirm income was 2 percent less than nationally, ranking North Carolina 35th among all States.

From 1977:IV to 1978:IV, the Consumer Price Index for the Atlanta metropolitan area increased 7.8 percent versus an 8.9-percent national city average increase (table 3). If Atlanta's index is used as an indicator

for price movements in the State, real total personal income in North Carolina increased 5.5 percent from year to year versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 11.8 percent in the State versus 12.6 percent nationally. Durable goods manufacturing payrolls increased 12.8 percent from year to year, 2.4 percentage points less than nationally. In contrast, nondurable goods manufacturing payrolls increased 11.9 percent versus 10.0 percent nationally. The dollar increase in the State's nondurables payrolls accounted for 22 percent of the year-to-year increase in North Carolina's total payrolls.

Payrolls in finance-insurance-real estate increased 7.8 percent in the State, the third smallest increase among all States. Nationally, payrolls in the finance group increased 13.2 percent. Services payrolls increased 11.7 percent in North Carolina, 1.0 percentage point less than nationally. In contrast, payrolls in transportation-communication-public utilities increased 11.6 percent in the State versus 11.3 percent nationally, and trade payrolls increased 15.0 percent versus 14.1 percent nationally.

Construction payrolls increased 12.1 percent in North Carolina, one of the smallest increases in the Nation. Nationally, construction payrolls increased 20.1 percent.

Government payrolls increased considerably more in the State than nationally. Federal Government payrolls increased 11.8 percent statewide, the seventh largest increase in the Nation, compared with a 7.1-percent national increase. State and local government payrolls increased 8.3 percent versus 6.8 percent nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 43.9 percent in North Carolina, one of the largest declines in the Nation. Unemployment benefits throughout the Nation declined 30.3 percent.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)

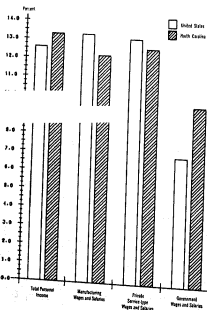


Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

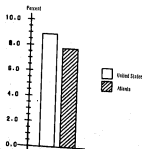


Chart 3.—Total Personal Income
[Seasonally adjusted]

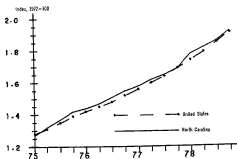
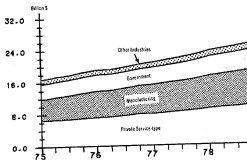


Chart 4.—Industrial Composition of Wages and Salaries: North Carolina
[Seasonally adjusted]



Labor Force

From 1977:IV to 1978:IV, North Carolina's civilian labor force increased 2.5 percent versus 3.1 percent nationally (table 4). Total employment increased 4.0 percent versus 3.9 percent nationally, to 2.6 million.

With employment increasing by 99,000 and the labor force increasing by 66,000, the number of unemployed declined by 33,000, to 100,000. North Carolina's unemployment rate declined 1.4 percentage points, to 3.7 percent of the labor force, the lowest unemployment rate in the Southeast region. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

According to preliminary data for December 1978, when the State's unemployment rate was 4.1 percent, unemployment rates among North Carolina's major metropolitan areas ranged from 4.3 percent in Asheville to 2.6 percent in Raleigh-Durham. In Greensboro-Winston-Salem-High Point and Charlotte-Gastonia, the State's largest metropolitan areas, the rates were 3.4 percent and 3.1 percent, respectively. From December 1977 to December 1978, the unemployment rate declined 1.4 percentage points in Asheville, compared with a decline of 0.9 percentage point statewide; Asheville's decline was the largest among the State's major metropolitan areas.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV, North Carolina

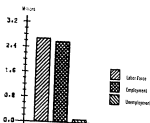


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

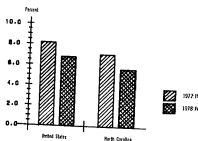


TABLE 4.—Labor Force, United States and North Carolina Through Fourth Quarter, 1978

	United States			North Carolina			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:IV	1977:IV	1978:IV	1978:IV	1977:IV—1978:IV	1978:IV	1977:IV	1978:IV
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
nonagricultural payroll	84,793	87,769	7,977	2,178	2,184	2,245	4.3	3.1	4.2	3.1
...	787	899	5	5	5	5	8.2	4.1	24.2	10.6
...	4,022	4,488	106	165	114	133	10.4	6.9	12.3	7.0
unemployment and public welfare	15,965	20,722	767	793	798	888	3.1	1.4	3.7	1.9
...	4,761	4,571	164	106	189	110	3.8	4.6	4.4	4.3
...	15,152	20,085	414	425	442	442	5.3	2.6	4.5	4.0
...	4,892	4,756	84	84	85	84	4.2	2	-2.0	2
...	15,539	18,215	301	291	318	311	4.6	5.8	4.4	4.5
...	15,434	15,668	328	362	336	372	2.1	3.0	1.4	2.7
...	98,591	101,615	2,686	2,614	2,726	2,689	3.2	1.5	3.1	2.5
...	52,442	58,018	2,534	2,481	2,619	2,580	4.1	3.4	3.9	4.0
...	6,149	5,095	152	133	105	100	-9.8	-35.1	-8.8	-24.6
...	6.2	5.5	5.5	5.1	5.0	3.7	...	...	...	...

¹ Add to totals because of rounding.

² 1978: IV.

These data are being estimated by new methods, using more current data. This series, and users are advised to exercise caution when making comparisons with other data.

Source: Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

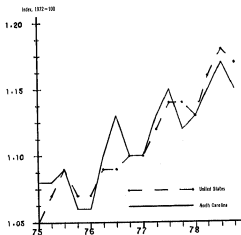


Chart 8.—Civilian Employment

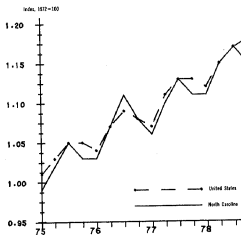


Chart 9.—Unemployment Rate

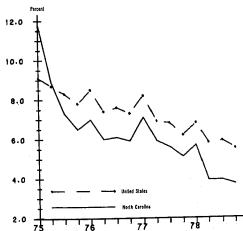
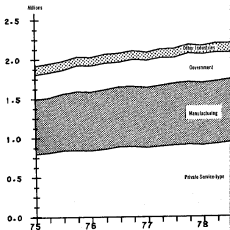


Chart 10.—Industrial Composition of Nonagricultural Employment: North Carolina



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and North Carolina Through Fourth Quarter, 1978

	United States			North Carolina			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,582	n.a.	5,287	9,636	10,545	n.a.	35.3	13.5	—	—
Commercial and industrial	196,317	n.a.	3,829	3,163	3,421	n.a.	14.2	12.9	—	—
Loans to individuals	140,699	n.a.	3,367	3,494	3,430	n.a.	20.2	13.7	—	—
Real estate	177,536	n.a.	2,006	2,826	2,372	n.a.	19.9	18.6	—	—
Residential	171,216	n.a.	819	819	1,026	n.a.	21.3	24.1	—	—
Farms	3,731	n.a.	117	104	106	n.a.	10.7	-9.3	—	—
Other	56,968	n.a.	1,057	1,083	1,240	n.a.	18.0	17.4	—	—
Farms, excluding real estate	25,704	n.a.	298	253	303	n.a.	6.8	5.1	—	—
Other	69,247	n.a.	663	689	689	n.a.	8.0	2.7	—	—
Total deposits	925,611	n.a.	12,473	14,419	14,886	n.a.	11.6	10.6	—	—
Demand	377,683	n.a.	6,630	6,186	6,351	n.a.	10.2	9.3	—	—
Time and savings	547,828	n.a.	7,843	8,239	8,745	n.a.	12.3	11.5	—	—

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 25.7 percent (\$235.2 million), to \$1.2 billion (table 6). The national increase was 16.8 percent. National construction costs increased 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the real increase in the total valuation of contracts in North Carolina was about 13 percent versus about 4 percent nationally.

The valuation of residential housekeeping contracts increased 38.0 percent, well over twice the national increase. North Carolina's increase was one of the largest in the Nation. The number of dwelling units started increased 33.1 percent (3,979 units), to 16,011 units. Nationally, in contrast, the number of dwelling units started was almost unchanged

at a high level. The valuation of residential housekeeping addition and alteration contracts increased 31.9 percent in the State, more than twice as fast as nationally. North Carolina's increase was one of the largest in the Nation.

Nonresidential contracts increased 13.7 percent in valuation, 2 percentage points less than nationally.

Nonbuilding contracts declined 1.1 percent in valuation, compared with a 22.2-percent national increase. The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 5 percent in the State and 16.3 percent nationally.

Chart 14.—Construction Contracts—Total Valuation

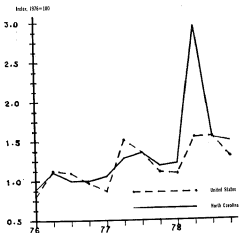


Chart 15.—Construction Contracts—Valuation of Contracts by Type: North Carolina

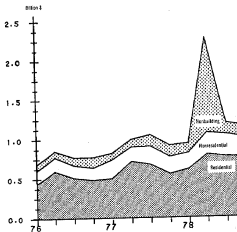


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

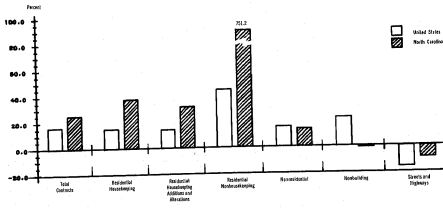


TABLE 6.—Construction Contracts, United States and North Carolina Through Fourth Quarter, 1978¹

	United States			North Carolina			U.S.		State		
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:IV—1978:II		1977:IV—1978:II		1977:IV—1978:IV
	Not seasonally adjusted						Percent change ²				
Total value of contracts	58,812,111	65,450,772	1,657,887	938,475	1,188,815	1,151,661	14.5	12.8	16.8		25.7
Residential housing, alterations and alterations	7,707,887	8,832,353	234,384	166,827	238,128	270,082	38.8	16.8	14.6		31.5
Nonresidential	51,104,224	56,618,419	1,423,503	771,648	950,687	881,579	14.9	12.0	17.4		24.3
Alterations	62,789	58,938	1,329	1,431	1,666	1,529	4.4	25.4	-9.3		5.2
Nonresidential	31,205,124	36,627,420	840,163	740,642	949,887	931,579	14.9	12.0	17.4		24.3
Nonresidential	881,493	971,956	22,565	28,472	35,527	25,954	10.8	16.3	10.2		26.3
Nonresidential	14,825	14,192	389	376	292	438	-5.1	.8	-4.3		15.5
Nonresidential	445,772	443,075	14,695	12,032	25,061	18,011	1.7	.4	-6		39.1
Nonresidential	14,075,586	17,198,518	654,519	383,780	571,489	529,619	15.3	12.4	15.6		28.9
Nonresidential	579,733	641,736	25,022	20,569	27,188	27,205	18.7	8.7	16.7		32.7
Nonresidential	507	505	5	5	16	8	-18.0	270.6	-4		-11.1
Nonresidential	318,637	406,279	8,462	1,853	5,110	8,963	9.4	-20.8	44.5		751.2
Nonresidential	6,487	10,580	165	33	136	297	-7	-17.8	24.7		955.6
Nonresidential	20,756	27,065	584	695	746	682	-2.5	27.7	-12.3		-2.4
Nonresidential	9,334,415	10,810,789	232,282	217,806	284,477	247,411	27.6	22.0	15.8		19.7
Nonresidential	282,253	319,249	7,379	7,879	8,603	6,442	12.2	16.6	8.9		7.3
Nonresidential	18,701	15,174	351	347	512	282	22.4	45.9	-9.1		13.9
Nonresidential	6,652,438	8,177,854	144,379	147,233	138,833	145,586	-3	-2.8	22.2		-1.1
Nonresidential	4,988	4,895	148	84	165	172	9.3	11.5	-17.8		45.2
Nonresidential	2,308,681	1,931,341	75,429	40,724	62,821	55,148	3.0	-21.4	-16.3		-3.2

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Data for floor area may not add to totals because of rounding.

Retail Sales

Retail sales in North Carolina totaled \$4.9 billion in 1978:IV, up 9.7 percent (\$430 million) since 1977:IV, compared with an 11.2-percent national increase (table 7). In 1978:IV, nondurable goods accounted for \$3.2 billion, and durable goods accounted for \$1.7 billion.

TABLE 7.—Retail Sales, United States and North Carolina Through Fourth Quarter, 1978

	United States			North Carolina			U.S.		State		
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:IV—1978:II		1977:IV—1978:II		1977:IV—1978:IV
	Billions of dollars, not seasonally adjusted						Percent change				
Total sales	197,636	219,020	4,061	4,482	4,465	4,882	10.7	9.9	11.2		9.7
Durable goods	62,065	71,573	n.a.	n.a.	1,564	1,688	13.8	—	15.3		—
Nondurable goods	134,565	147,447	n.a.	n.a.	2,901	3,194	9.6	—	9.2		—

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and North Carolina Through Fourth Quarter, 1978

	United States			North Carolina			U.S.		State		
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:IV—1978:II		1977:IV—1978:II		1977:IV—1978:IV
	Not seasonally adjusted						Percent change				
New business incorporations	389,431	n.a.	2,045	2,871	2,178	n.a.	8.2	6.5	—		—
Business failures	1,684	n.a.	1	8	22	n.a.	-5.5	—	—		—
Business failures by industry	484,236	n.a.	33	499	2,714	n.a.	-44.2	—	—		—
Business failures by industry	288	n.a.	33	62	101	n.a.	-38.4	—	—		—
Business failures by industry	248	n.a.	9	1	1	n.a.	-19.2	—	—		—
Business failures by industry	319	n.a.	1	2	0	n.a.	1.0	700.0	—		—
Business failures by industry	151	n.a.	1	0	0	n.a.	-71.2	—	—		—
Business failures by industry	680	n.a.	0	2	10	n.a.	-4.2	—	—		—
Business failures by industry	238	n.a.	0	3	4	n.a.	-24.9	—	—		—

Data not available.
Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

NORTH DAKOTA

Highlights

1977:IV to 1978:IV

Personal income

- Up 23.9% vs. 12.6% in U.S., to \$5.4 billion
- Farm personal income up 107.5% vs. 26.3% in U.S.
- Payrolls up 28.6% in construction vs. 20.1% in U.S.

Employment

- Up 1.7% vs. 3.9% in U.S., to 277,000
- Down slightly, to 13,000
- Rate down slightly, to 4.4% of labor force vs. 5.5% U.S. rate

Unemployment

- Total valuation of contracts down 51.2% vs. 16.8% increase in U.S., to \$161.1 million
- Valuation of nonbuilding contracts down 90.8% vs. 22.2% increase in U.S.
- Number of dwelling-unit starts down 2.8% vs. near stability in U.S., to 1,771

TABLE 1.—Summary of Economic Indicators, United States and North Dakota Through Fourth Quarter, 1978

	United States			North Dakota			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV
	All indicators, except income, not seasonally adjusted						Percent change		
Total personal income (millions of dollars).....	1,582,508	1,782,519	3,793	4,323	4,888	5,308	12.4	29.2	12.8
Total wages and salaries (millions of dollars).....	1,013,216	1,146,696	2,259	2,328	2,555	2,641	12.1	12.6	12.6
Civilian employment (thousands).....	92,462	96,619	297	273	364	277	4.1	2.2	3.9
Unemployment (thousands).....	6,149	5,895	33	33	13	13	-8.8	-9.8	-8.8
Percent unemployed (unemployment/labor force).....	6.2	5.5	4.0	4.5	3.5	4.4	—	—	—
Total loans (millions of dollars).....	619,502	n.a.	1,999	2,013	2,282	n.a.	16.3	12.4	—
Total deposits (millions of dollars).....	925,513	n.a.	2,944	3,144	3,311	n.a.	12.5	12.5	—
Total valuation of construction contracts (thousands of dollars).....	38,913,131	45,459,779	199,388	336,152	441,516	161,126	14.5	121.7	16.8
Dwelling units started (number).....	445,772	443,075	2,098	1,822	2,879	1,771	8.9	32.2	-5
Total retail sales (millions of dollars).....	197,930	219,008	n.a.	n.a.	n.a.	n.a.	30.3	—	11.2
New business incorporations (number).....	109,411	n.a.	195	217	262	n.a.	8.7	34.4	—
Business failures (number).....	1,594	n.a.	31	5	6	n.a.	-9.5	-45.5	—
Consumer Price Index (1957=100): U.S. city average.....	105.3	201.8	—	—	—	—	7.9	—	8.9

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 23.9 percent from 1977:IV to 1978:IV versus 12.6 percent nationally (table 2). North Dakota's increase was the second largest in the Nation, after Wyoming's 25.6-percent increase. In 1978:IV, the State's personal income totaled \$5.4 billion, up \$1.0 billion since 1977:IV.

North Dakota's increase in personal income would have been considerably smaller had it not been for a 107.5-percent increase in farm personal income, compared with a 26.3-percent national increase. The increase in North Dakota was one of the largest among all States. The State's nonfarm personal income increased 12.8 percent from year to year, compared with a 12.3-percent increase nationally. Since the most recent national business cycle peak in 1973:IV, North Dakota's nonfarm economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 19 percent more than nationally, ranking North Dakota 14th among all States.

Wage and salary disbursements (payrolls) from 1977:IV to 1978:IV increased 13.5 percent in the State versus 12.6 percent nationally. In 1978:IV, they totaled \$2.6 billion, up \$313 million since 1977:IV.

Payrolls in construction increased 28.6 percent in the State, 8.5 percentage points more than nationally; North Dakota's increase was one of the largest in the Nation. The dollar increase in the State's construction payrolls accounted for one-fifth of the year-to-year increase in all of North Dakota's payrolls. The State's sharp increase probably reflects electric-generating-plant construction contracts in late 1977 and mid-1978. Mining payrolls increased 61.1 percent from year to year versus 33.9 percent nationally. North Dakota's increase was the second largest in the Nation, after Minnesota's.

Nondurable goods manufacturing payrolls increased 21.8 percent in the State, more than twice as much as nationally. North Dakota's increase was only a fraction less than Utah's 21.9-percent increase, which was the largest in the Nation. The State's increase in durable goods manufacturing payrolls was 21.0 percent, one of the largest gains in the Nation, compared with 15.2 percent nationally.

Payrolls in the private service-type industry group increased 11.8 percent from year to year, 1.3 percentage points less than nationally. The State's lag was due to an increase of only 6.8 percent in services payrolls, one of the smallest increases in the Nation, compared with a national increase of 12.7 percent. North Dakota's trade payrolls increased at the national rate, 14.1 percent. Payrolls in transportation-communication-public utilities increased 11.7 percent in the State versus 11.3 percent nationally, and payrolls in finance-insurance-real estate increased 16.5 percent versus 13.2 percent nationally.

State and local government payrolls increased 7.3 percent from year to year versus 6.8 percent nationally. Federal Government payrolls, in contrast, increased 3.8 percent, one of the smallest increases in the Nation and 3.3 percentage points less than nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 23.0 percent in the State and 30.3 percent throughout the Nation.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)

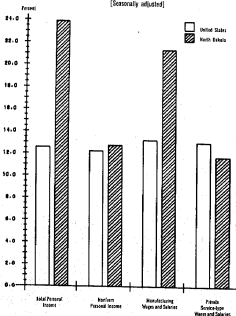


Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

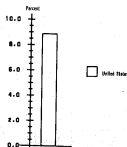


Chart 3.—Total Personal Income
(Seasonally adjusted)

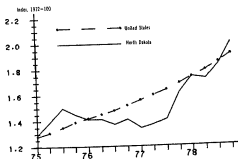


Chart 4.—Industrial Composition of Wages and Salaries: North Dakota
(Seasonally adjusted)

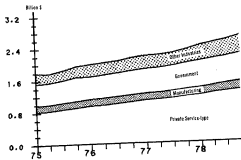


TABLE 2.—Personal Income, United States and North Dakota Through Fourth Quarter, 1978

TABLE 2.—Personal Income, United States and North Dakota Through Fourth Quarter, 1978									
	United States			North Dakota			U.S. State		U.S. State
							1977:III— 1978:III		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	
Billions of dollars, seasonally adjusted at annual rates ^a									
Percent change ^b									
Total personal income	1,583,964	1,707,519	1,383	4,323	4,888	5,358	12.4	29.2	12.4
Basic personal income	31,224	39,451	83	508	716	1,055	47.9	259.6	26.3
Nonfarm personal income	1,552,284	1,668,068	1,300	3,815	4,172	4,303	11.9	12.8	12.3
Total personal income	1,583,964	1,707,519	1,383	4,323	4,888	5,358	12.4	29.2	12.4
Wage and salary disbursements	1,013,216	1,146,896	2,250	2,328	2,555	2,841	12.1	12.1	12.6
Other labor income	56,816	111,719	154	137	188	264	17.0	26.5	16.4
Proprietors' income	106,953	125,955	329	763	1,010	1,364	21.5	207.2	18.9
Partners' income	23,836	31,094	28	399	351	398	16.8	16.7	15.3
Farm	82,317	94,951	301	399	351	368	12.8	13.8	12.8
Nonfarm	214,952	342,442	289	811	583	591	8.8	8.9	8.2
Dividends, interest, and rent	216,614	233,758	548	548	548	548	26	-24.0	-24.7
Transfer payments	11,128	7,253	35	34	26	27	14.8	18.5	15.1
State unemployment insurance benefits	42,212	71,510	187	187	222	227			
Less: personal contributions	-471	-473	-192	-106	-109	-123			
Plus: residence adjustments									
Wage and salary disbursements	1,013,216	1,146,896	2,250	2,328	2,555	2,841	12.1	12.6	12.6
Farm	2,176	7,939	54	53	55	57	8.5	1.4	10.4
Nonfarm	1,006,040	1,137,257	2,196	2,275	2,500	2,783	12.1	13.8	12.6
Mining	14,848	18,813	49	52	76	84	26.5	59.8	35.9
Construction	55,648	66,898	214	225	275	389	19.1	29.0	20.1
Manufacturing	274,112	312,970	173	171	203	306	12.3	17.7	13.1
Durable goods	176,216	203,653	95	95	110	112	12.7	15.7	15.2
Non-durable goods	96,896	109,317	78	76	93	95	8.4	28.1	10.0
Private service type	495,744	515,348	1,124	1,383	1,284	1,300	12.8	19.4	15.6
Transportation, communication, and public utilities	74,584	85,244	290	214	221	240	14.4	14.4	14.4
Wholesale and retail trade	179,888	195,035	585	507	552	578	14.1	17.3	13.2
Finance, insurance, and real estate	54,452	61,633	106	108	117	121	14.1	17.3	13.2
Services	153,840	173,396	327	238	355	493	7.4	6.4	6.9
Government	281,252	215,063	630	656	679	303	7.3	5.5	7.1
Federal	48,176	77,063	275	297	380	390	7.5	2.1	6.8
State and local	133,076	142,040	355	364	380	390	7.5	2.1	6.8
Other	3,216	3,685	8	8	9	9	18.7	21.9	14.6

***Percent change greater than 999.9.

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Models Division.

TABLE 3.—Consumer Price Index, United States and North Dakota Through Fourth Quarter, 1978^a

	United States						North Dakota		U.S.	State	U.S.
									1977:III— 1978:III		1977:IV— 1978:IV
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV					
	Index, 1967=100, not seasonally adjusted								Percent change		
U.S. city average ^b	185.3	201.8	---	---	---	---	7.9		---	8.9	

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 15 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1979, and rounded data are used for subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, North Dakota's civilian labor force increased 1.5 percent versus 3.1 percent nationally (table 4). Total employment increased 1.7 percent versus 3.9 percent nationally, to 277,000; North Dakota's was the smallest increase in the Plains region.

With the labor force increasing by about 5,000 and employment increasing by about 4,000, the number of unemployed was little changed, at 13,000. North Dakota's unemployment rate declined fractionally, to 4.4 percent of the labor force. The national unemployment rate in

1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Preliminary data for December 1978 show unemployment rates of 5.2 percent for the State as a whole and 3.8 percent for Fargo-Moorhead, North Dakota's major metropolitan area. While the State's unemployment rate increased slightly from December 1977 to December 1978, the rate for Fargo-Moorhead declined by 0.6 percentage point.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: North Dakota

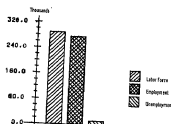


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

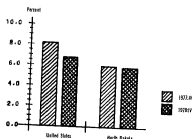


Chart 7.—Civilian Labor Force

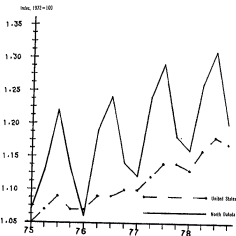


Chart 8.—Civilian Employment

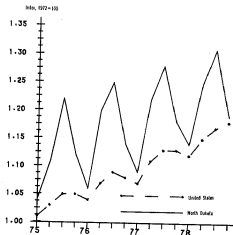


Chart 9.—Unemployment Rate

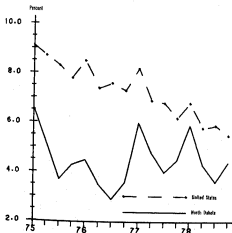
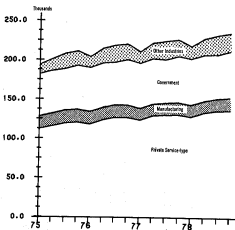


Chart 10.—Industrial Composition of Nonagricultural Employment: North Dakota



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and North Dakota Through Fourth Quarter, 1978

	United States			North Dakota			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Billions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	616,502	n.a.	1,995	2,013	2,262	n.a.	16.3	13.4	—	—
Commercial and industrial	196,317	n.a.	478	488	568	n.a.	14.2	18.8	—	—
Loans to individuals	148,589	n.a.	404	406	466	n.a.	20.2	15.3	—	—
Real estate	177,815	n.a.	483	511	573	n.a.	18.9	15.2	—	—
Real estate	191,238	n.a.	273	289	320	n.a.	21.3	17.0	—	—
Farms	7,731	n.a.	48	68	74	n.a.	13.7	9.8	—	—
Other	68,988	n.a.	153	155	186	n.a.	19.0	17.5	—	—
Finance, excluding real estate	25,794	n.a.	595	536	626	n.a.	6.8	5.1	—	—
Other	68,947	n.a.	35	32	29	n.a.	8.0	18.9	—	—
Total deposits	825,511	n.a.	2,944	3,146	3,101	n.a.	11.5	12.5	—	—
Demand	377,863	n.a.	916	1,049	1,019	n.a.	18.2	12.5	—	—
Time and savings	547,648	n.a.	2,027	2,095	2,292	n.a.	12.3	12.5	—	—

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts declined by slightly more than one-half, to \$161.1 million (table 6). North Dakota's percent decline, the largest in the Nation, compared with a 16.8-percent national increase. A \$176 million contract in 1977:IV for the construction of an electric generating plant in Mercer County raised the State's total valuation of contracts to an unusually high level, thereby distorting the subsequent year-to-year change. If the Mercer County contract is excluded, the total valuation of contracts in the State would have increased 4.5 percent from year to year. During the same time span, national construction costs increased about 13 percent.

Partly reflecting the Mercer County contract, the valuation of nonbuilding contracts declined 90.8 percent versus a 22.2-percent national increase. North Dakota's decline was the largest in the Nation.

Street and highway contracts, a major component of nonbuilding contracts, declined 42.4 percent in valuation in North Dakota and 16.3 percent in the Nation.

Residential housekeeping contracts increased 10.1 percent in valuation, compared with 15.6 percent nationally. The number of dwelling units started declined 2.8 percent, to 1,771 units. Nationally, the number of dwelling units started was almost unchanged at a high level. Contracts for residential housekeeping additions and alterations increased only 0.2 percent in valuation in the State versus 14.6 percent nationally. Forty-three States registered increases that were larger than North Dakota's.

The valuation of nonresidential contracts increased 75.5 percent in the State, almost five times more than nationally. Only three States—Louisiana, Oklahoma, and Oregon—registered larger increases.

Chart 14.—Construction Contracts—Total Valuation

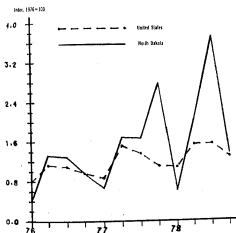


Chart 15.—Construction Contracts—Valuation of Contracts by Type: North Dakota

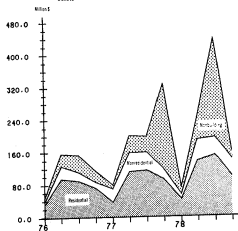


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

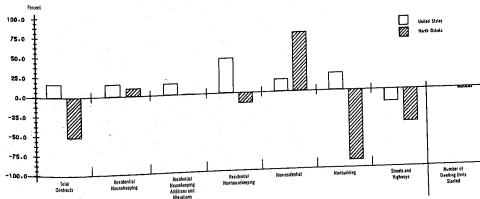


TABLE 6.—Construction Contracts, United States and North Dakota Through Fourth Quarter, 1978^a

	United States			North Dakota			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Not seasonally adjusted						Percent change ^b			
Total value of contracts	38,813,313	45,499,773	199,168	336,352	441,515	351,135	14.5	121.7	16.8	-51.2
Residential housekeeping, additions and alterations										
Value (thousands of dollars)	7,767,987	8,832,353	25,776	26,509	32,185	25,557	16.8	19.9	14.6	2
All other contracts										
Number of contracts	62,189	55,558	808	541	599	412	4.4	-1.5	-9.3	-23.8
Value (thousands of dollars)	31,275,124	35,627,420	172,592	305,843	408,410	334,582	14.0	127.5	17.4	-55.7
Floor area (thousands of square feet)	891,453	971,596	4,481	3,447	5,846	3,868	10.8	39.3	10.2	12.7
Residential housekeeping										
Number of contracts	14,425	14,150	207	219	212	267	-5.3	2.4	-4.3	-5.5
Value (thousands of dollars)	445,712	443,015	2,688	1,822	2,874	1,771	1.8	37.2	-6	-2.8
Floor area (thousands of square feet)	14,879,596	17,156,518	84,684	63,338	112,556	69,739	15.3	33.8	15.6	10.1
Residential nonhousekeeping										
Number of contracts	507	505	5	7	8	7	-10.0	68.0	-4.4	.0
Value (thousands of dollars)	338,637	498,279	4,164	1,964	4,875	1,700	9.4	65.1	44.8	-13.4
Floor area (thousands of square feet)	8,457	10,580	163	72	233	41	-7	43.2	24.7	-42.0
Nonresidential										
Number of contracts	30,556	27,855	157	130	135	168	-2.5	-14.8	-12.8	-15.9
Value (thousands of dollars)	9,334,415	10,810,769	45,479	24,825	44,601	43,957	27.8	-2.2	15.8	25.5
Floor area (thousands of square feet)	293,253	319,240	1,339	982	1,435	1,288	12.2	7.2	8.0	33.8
Manufacturing										
Number of contracts	16,760	15,115	240	185	244	90	22.4	1.7	-9.1	-51.4
Value (thousands of dollars)	6,652,416	8,127,894	38,725	213,516	249,828	15,586	-1	534.3	22.2	-90.8
Streets and highways										
Number of contracts	4,565	4,089	76	81	89	24	9.3	17.3	-17.8	-50.8
Value (thousands of dollars)	2,368,841	1,831,341	15,245	17,184	23,135	4,806	3.0	51.8	-16.3	-47.4

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add in totals because of rounding.

Retail Sales

Retail sales data for North Dakota are not available.

TABLE 7.—Retail Sales, United States and North Dakota Through Fourth Quarter, 1978

	United States			North Dakota			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	152,630	218,026	n.a.	n.a.	n.a.	n.a.	18.3	---	17.2	---
Durable goods	62,065	71,573	n.a.	n.a.	n.a.	n.a.	11.8	---	15.3	---
Non-durable goods	124,565	147,447	n.a.	n.a.	n.a.	n.a.	9.6	---	9.2	---

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and North Dakota Through Fourth Quarter, 1978

	United States			North Dakota			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Not seasonally adjusted						Percent change			
New business incorporations	189,411	n.a.	195	217	262	n.a.	8.2	34.4	---	---
Total number of business failures	1,844	n.a.	11	5	8	n.a.	-9.5	-45.5	---	---
Current liabilities (thousands of dollars)	484,755	n.a.	1,128	461	526	n.a.	-44.2	-53.0	---	---
Average liability per failure (thousands of dollars)	268	n.a.	163	92	98	n.a.	-38.4	-14.6	---	---
Business failures by industry										
Mining and manufacturing	340	n.a.	3	1	0	n.a.	-10.1	---	---	---
Construction	315	n.a.	4	1	0	n.a.	3.0	---	---	---
Wholesale trade	151	n.a.	0	6	0	n.a.	-97.3	---	---	---
Retail trade	688	n.a.	4	2	6	n.a.	-4.2	50.0	---	---
Commercial services	238	n.a.	0	1	0	n.a.	-24.6	---	---	---

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income	<ul style="list-style-type: none"> —Up 11.3%, 1.3 percentage points less than in U.S. —Small increases in most major private industries and in government
Consumer prices	—Up 11.1% in Cincinnati and 10.2% in Cleveland vs. 8.9% in U.S.
Employment	—Up 5.2% vs. 3.9% in U.S., to 4.8 million
Unemployment	<ul style="list-style-type: none"> —Down 25,000, to 245,000 —Rate down to 4.8% of labor force vs. 5.5% U.S. rate
Construction	<ul style="list-style-type: none"> —Total valuation of contracts up 29.2% vs. 16.8% in U.S., to \$2.0 billion —Nearly all major construction categories in State strong —Number of dwelling-unit starts up 26.0% vs. little change in U.S., to 16,702
Retail sales	—Up 13.2% vs. 11.2% in U.S., to over \$11.2 billion

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 11.3 percent from 1977:IV to 1978:IV, 1.3 percentage points less than in the Nation (table 2). In 1978:IV, the State's personal income totaled \$87.9 billion, for an increase of \$8.9 billion since 1977:IV. Changes in nearly all major income components were below those registered in corresponding components nationally.

Since the last national business cycle peak (1973:IV), Ohio's economy has increased slowly; the increase in nonfarm income was 10 percent less than nationally, ranking Ohio 41st among all States.

Consumer prices from 1977:IV to 1978:IV increased 11.1 percent in the Cincinnati metropolitan area and 10.2 percent in Cleveland; both of these increases were well above the national increase of 8.9 percent (table 3). If the average price increase in these areas—10.7 percent—is

used as an indicator for price movements in the State, real total personal income in Ohio increased only 0.6 percent from year to year, well below the national average increase of 3.7 percent.

Wage and salary disbursements (payrolls) increased 11.5 percent in the State versus 12.6 percent in the Nation. In 1978:IV, payrolls total \$59.3 billion, for an increase of \$6.1 billion from year to year.

Manufacturing payrolls increased 12.4 percent versus 13.3 percent nationally; weakness extended to both durable and nondurable goods. Durables manufacturing payrolls increased 14.6 percent versus 15 percent nationally; this small lag was important inasmuch as durable goods payrolls accounted for 30.3 percent of all of Ohio's payrolls. 1978:IV versus a national weight of 17.8 percent. Nondurable goods payrolls increased 6.4 percent in Ohio versus 10.0 percent in the Nation among all States, Ohio's increase ranked 42nd.

Private service-type payrolls increased 11.2 percent in Ohio versus 13 percent in the Nation. Weakness was particularly pronounced in trade and in services. In contrast, Ohio's payroll increase in transportation communication-public utilities was 1.1 percentage points more than nationally.

Construction payrolls increased 18.9 percent in Ohio versus 20.1 percent nationally. Similarly, government payrolls increased less in Ohio than nationally, with payroll gains in both Federal Government and State and local government lagging corresponding gains nationally.

With the economic advance continuing in both the State and the Nation, State unemployment insurance benefits declined 42.3 percent in Ohio and 30.3 percent in the Nation.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)

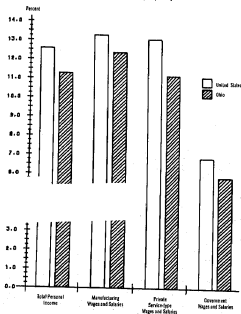


Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

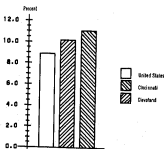


Chart 3.—Total Personal Income
(Seasonally adjusted)

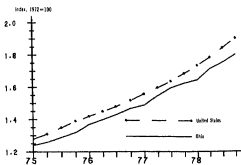


Chart 4.—Industrial Composition of Wages and Salaries: Ohio
(Seasonally adjusted)

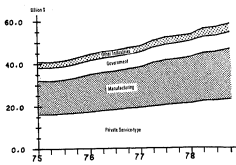


TABLE 2.—Personal Income, United States and Ohio Through Fourth Quarter, 1978

	United States			Ohio			U.S. State		U.S. State		
							1977:III—		1977:IV—		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—	1977:IV—	1977:III—	1977:IV—	1977:IV—
	Billions of dollars, seasonally adjusted at annual rates ¹						Percent change ²				
Total personal income	1,583,508	1,782,515	77,375	78,956	85,833	87,850	12.4	8.9	12.6	11.3	
Personal income	31,224	35,451	400	816	773	1,025	47.8	26.5	26.3	25.3	
Nonpersonal income	1,552,284	1,747,064	76,977	78,132	84,290	86,825	11.5	5.7	12.3	11.1	
Total personal income	1,583,508	1,782,515	77,375	78,956	85,833	87,850	12.4	8.9	12.6	11.3	
Wage and salary disbursements	1,033,216	1,140,896	50,487	53,380	57,421	59,267	12.1	9.4	12.8	11.5	
Other labor income	56,816	111,718	5,223	5,464	6,078	6,296	17.0	14.2	16.4	15.3	
Proprietors' income	108,953	125,995	4,068	4,261	4,518	4,813	21.5	12.2	18.9	18.3	
Farm	23,636	37,644	427	638	586	822	68.8	37.8	31.3	28.9	
Nonfarm	84,992	88,347	3,598	3,623	3,936	4,091	12.8	10.3	15.3	12.9	
Dividends, interest, and rent	235,944	233,758	3,757	10,029	10,615	10,965	8.8	8.8	8.2	7.2	
Transfer payments	31,178	7,763	395	555	381	378	-24.5	-23.9	-30.3	-42.3	
State unemployment insurance benefits	62,212	71,610	3,063	3,883	3,422	3,498	14.8	11.7	15.1	13.5	
Less personal contributions	-481	-473	-432	-437	-461	-485					
Net residence adjustment	1,812,216	1,149,896	52,487	53,168	57,421	59,267	12.1	9.4	12.8	11.5	
Wage and salary disbursements	7,178	7,929	177	176	158	185	8.5	6.8	10.6	12.5	
Nonfarm	1,006,048	1,132,757	52,311	52,594	57,242	59,088	12.1	9.4	12.6	11.5	
Mining	14,048	18,613	528	488	668	668	26.5	21.8	33.3	38.6	
Manufacturing	95,848	66,658	2,832	2,394	3,038	3,084	19.1	15.4	20.1	18.9	
Construction	236,112	312,978	21,201	21,327	23,120	23,815	12.1	9.8	13.2	12.4	
Durable goods	178,216	293,053	15,587	15,667	17,158	17,852	13.7	10.6	15.2	14.3	
Non-durable goods	88,896	139,371	5,583	5,660	5,966	6,023	9.4	6.6	10.0	11.1	
Private service-type	455,784	545,348	20,547	21,017	22,608	23,562	12.8	10.0	13.1	12.4	
Transportation, communication, and public utilities	76,584	85,294	3,946	3,764	3,898	4,161	10.4	8.9	11.4	11.2	
Wholesale and retail trade	170,868	135,635	9,316	8,456	9,179	9,467	13.6	13.4	14.1	12.1	
Finance, insurance, and real estate	54,452	61,653	1,601	2,019	2,261	2,330	14.1	13.5	13.2	12.1	
Services	201,252	215,083	7,415	7,467	7,732	7,908	7.4	4.3	6.6	5.9	
Government	48,176	73,003	1,801	1,814	1,900	1,994	7.3	6.0	7.1	5.9	
Federal	133,876	142,886	5,614	5,594	5,827	5,954	7.5	3.7	6.8	5.9	
State and local	3,216	3,685	89	85	107	100	18.7	18.3	14.6	13.0	
Other											

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Ohio Through Fourth Quarter, 1978¹

	United States			Ohio			U.S. State		U.S. State		
							1977:III—		1977:IV—		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—	1977:IV—	1977:III—	1977:IV—	1977:IV—
	Index, 1967=100, not seasonally adjusted						Percent change				
U.S. city average ²	185.3	201.8	186.2	186.7	203.3	201.5	7.5	8.2	8.3	11.1	
Cincinnati	---	---	181.1	184.4	196.6	203.3	---	8.2	---	---	18.2
Cleveland	---	---	---	---	---	---	---	---	---	---	---

NOTE:—Unrounded data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

1. Consumer Price indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1976 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Labor Force

From 1977:IV to 1978:IV, the civilian labor force in Ohio increased 4.4 percent, 1.3 percentage points more than in the Nation (Table 4). Ohio's increase ranked 13th nationally. Total employment in the State increased 5.2 percent, 1.3 percentage points more than in the Nation, to 4.8 million. Only 10 States registered larger increases. Ohio's increase was the largest in the Great Lakes region.

With the labor force increasing 215,000 and employment increasing 240,000, unemployment declined 25,000, to 245,000. In 1978:IV, the unemployment rate in Ohio was 4.8 percent versus 5.5 percent in the Nation. Ohio's rate was the lowest in the Great Lakes region. Unemployment rates in both the State and Nation declined 0.7 percentage point from 1977:IV to 1978:IV.

In December 1978, the preliminary unemployment rate in Ohio was 4.8 percent. Rates among major metropolitan areas in the State ranged from 3.9 percent in Dayton and 4.1 percent in both Cleveland and Columbus to 6.0 percent in Youngstown-Warren. In Cincinnati, the preliminary unemployment rate was 4.8 percent, up 0.4 percentage point since December 1977. Toledo was the only other major metropolitan area in the State that registered a year-to-year increase in the unemployment rate—0.1 percentage point—to 5.5 percent. Other major areas registered declines in unemployment rates of up to 0.5 percentage point.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Ohio

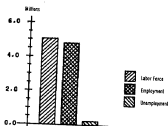


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

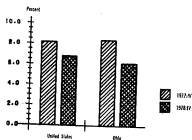


TABLE 4.—Labor Force, United States and Ohio Through Fourth Quarter, 1978

	United States			Ohio			U.S. State		U.S. State		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:III—1978:IV
Thousands of persons, not seasonally adjusted ¹											Percent change ²
Employees on nonagricultural payrolls	84,230	87,798	4,281	4,298	4,253	4,422	4.3	2.2	4.2	2.9	
Mining	787	809	31	26	31	31	8.2	2.3	14.2	18.7	
Construction	4,032	4,468	145	171	193	193	10.4	7.2	11.3	7.2	
Manufacturing	19,986	20,722	1,755	1,282	1,370	1,386	3.1	1.0	3.7	1.8	
Transportation, communication, and public utilities	4,761	4,971	229	223	223	231	3.8	1.3	4.4	3.7	
Wholesale and retail trade	19,152	20,515	830	948	989	975	5.3	3.1	4.5	3.1	
Finance, insurance, and real estate	4,832	4,758	188	126	194	193	4.8	3.5	-2.9	4.1	
Services	15,539	16,215	743	736	772	787	4.6	4.0	4.6	4.2	
Government	15,434	15,656	654	649	654	654	2.1	-0.6	1.4	8	
Civilian labor force ³	98,591	101,615	4,918	4,864	5,053	5,079	3.2	2.2	3.1	4.1	
Total employed	92,442	96,010	4,594	4,564	4,756	4,834	4.1	2.6	3.9	5.2	
Percent unemployed	6.7	5.5	28.1	27.9	25.7	24.5	-0.8	-0.8	-0.8	-9.2	

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

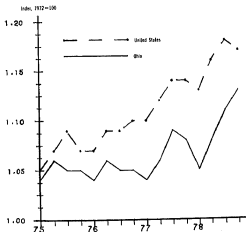


Chart 8.—Civilian Employment

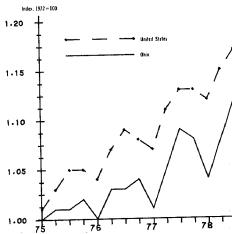


Chart 9.—Unemployment Rate

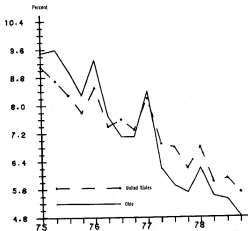
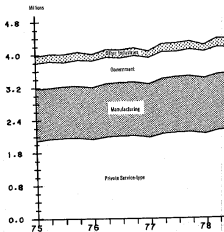


Chart 10.—Industrial Composition of Nonagricultural Employment: Ohio



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Ohio Through Fourth Quarter, 1978

	United States			Ohio			U.S.	State	U.S.	State
	1977:IV	1978:II	1977:II	1977:IV	1978:II	1978:IV	1977:II	1978:II	1977:II	1978:II
	Millions of dollars, not seasonally adjusted ¹						Percentages ²			
Total loans	616,502	n.a.	22,274	22,894	25,632	n.a.	18.2	15.1	---	---
Commercial and industrial	156,217	n.a.	5,796	5,897	6,689	n.a.	14.2	14.8	---	---
Loans to individuals	140,508	n.a.	6,989	7,267	8,196	n.a.	20.2	17.3	---	---
Real estate	127,635	n.a.	7,849	8,119	8,955	n.a.	19.9	14.7	---	---
Agricultural	101,235	n.a.	4,843	5,055	5,943	n.a.	21.3	15.5	---	---
Finance	1,721	n.a.	479	431	450	n.a.	16.7	6.7	---	---
Other	68,588	n.a.	2,542	2,633	2,865	n.a.	13.0	12.7	---	---
Finance, excluding real estate	25,704	n.a.	426	488	455	n.a.	6.9	6.9	---	---
Other	63,947	n.a.	1,255	1,294	1,412	n.a.	8.9	12.5	---	---
Total deposits	925,531	n.a.	34,234	34,364	37,525	n.a.	11.5	9.7	---	---
Demand	377,883	n.a.	11,549	13,125	12,516	n.a.	10.2	8.9	---	---
Time and savings	547,648	n.a.	22,685	22,139	24,955	n.a.	12.3	10.1	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 29.2 percent in Ohio, 12.4 percentage points more than nationally (table 6). Only eight States had increases that were larger than Ohio's. In 1978:IV, contracts in the State totaled \$2.0 billion, for an increase over the year of \$454 million. Nearly all major construction categories in the State registered increases that exceeded corresponding national increases.

National construction costs increased about 13 percent; if this increase is representative of cost changes in Ohio, the real valuation of construction contracts in Ohio increased about 16 percent versus about 4 percent in the Nation.

The valuation of nonbuilding contracts increased 48.8 percent versus 22.2 percent in the Nation. Only 11 States had larger increases. Partly accounting for Ohio's large increase was an increase of 31.5 percent in the valuation of street and highway contracts. In the Nation, the valuation of street and highway contracts declined 16.3 percent.

The valuation of nonresidential contracts increased 39.9 percent (million) versus a 15.8-percent increase in the Nation. The dollar increase in the valuation of nonresidential contracts accounted for nearly five-fifths of the dollar increase in the valuation of all contracts in the State.

The valuation of residential housekeeping contracts increased 15.6 percent in the State versus 15.6 percent in the Nation. Only two States had larger increases. The number of dwelling units started increased 4.1 percent (2,068 units), to 16,702 units. In contrast, in the Nation, the number of dwelling units started was virtually unchanged at a high level.

The only major construction category with an increase that was less than the corresponding national increase was additions and alterations to residential housekeeping units. The valuation of these contracts increased 8.4 percent in the State, lagging the national average increase by 6.2 percentage points.

Chart 14.—Construction Contracts—Total Valuation

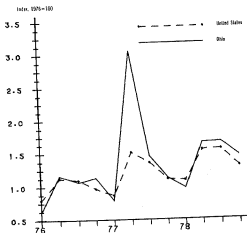


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Ohio

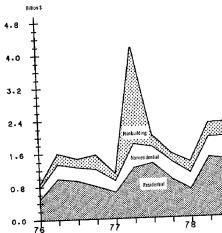


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

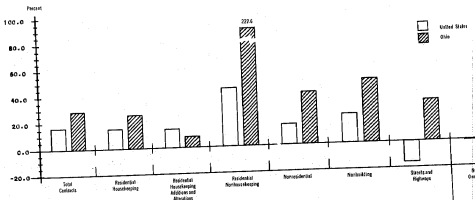


TABLE 6.—Construction Contracts, United States and Ohio Through Fourth Quarter, 1978*

	United States						Ohio			U.S.	State	U.S.
	1977-IV						1978-IV					
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III	1978-III	1978-IV			
Not seasonally adjusted												
Total value of contracts												
Residential housekeeping, add data and allocations	38,912,311	45,458,772	2,908,888	1,554,852	2,387,910	2,048,447	14.9	14.6	101			
Value of new construction (thousands of dollars)												
All other contracts	7,787,587	8,802,353	508,474	289,867	511,867	422,485	16.8	7	116			
Number of contracts												
Value of new construction (thousands of dollars)	62,780	56,128	4,089	1,325	4,057	3,949	8.4	8	91			
Floor area (thousands of square feet)	38,285,124	36,627,420	1,508,134	1,164,750	1,791,043	1,585,962	14.0	15.4	91			
Residential housekeeping	881,453	971,566	45,500	34,012	48,282	39,837	16.8	8.0	112			
Number of contracts												
Number of dwelling units	14,825	14,192	637	573	557	542	5.1	12.4	45			
Value of new construction (thousands of dollars)	445,772	443,075	23,679	14,634	21,295	16,702	1.9	10.1	4			
Value of new construction (thousands of dollars)	14,895,546	17,188,518	815,070	528,178	851,565	646,811	15.2	45	114			
Floor area (thousands of square feet)	579,730	641,796	36,227	29,701	30,565	23,680	11.3	9	117			
Nonresidential housekeeping												
Number of contracts	587	545	28	21	26	21	19.0	28.6	4			
Value of new construction (thousands of dollars)	338,637	456,279	9,677	7,070	16,833	23,160	8.4	41.4	4			
Floor area (thousands of square feet)	6,467	13,568	384	153	466	218	7	64.1	26.7			
Nonbuilding												
Number of contracts	30,756	27,858	2,341	1,598	1,893	1,658	2.5	11.6	122			
Value of new construction (thousands of dollars)	9,304,415	18,818,769	463,102	437,065	570,272	601,538	27.5	44.5	118			
Floor area (thousands of square feet)	393,253	379,240	15,008	14,117	18,231	15,896	17.2	21.1	98			
Nonbuilding												
Number of contracts	16,761	15,176	1,283	873	1,587	819	22.4	23.7	91			
Value of new construction (thousands of dollars)	6,852,474	8,127,254	273,085	191,347	352,432	285,253	3.1	29.1	27.2			
Streets and Highways												
Number of contracts	4,586	4,899	636	246	725	237	9.3	14.0	17.8			
Value of new construction (thousands of dollars)	2,768,581	1,921,340	98,388	65,221	123,594	85,274	3.8	25.2	28.3			
1. Contracts started or expected to start within 60 days												

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Data for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Ohio totaled over \$11.2 billion in 1978:IV, up 13.2 percent (\$1.3 billion) since 1977:IV, compared with an 11.2-percent national increase (table 7). In 1978:IV, nondurable goods accounted for almost \$8.0 billion, and durable goods accounted for almost \$3.1 billion.

TABLE 7.—Retail Sales, United States and Ohio Through Fourth Quarter, 1978

Retail Sales and Ohio Through Fourth Quarter, 1978									
	United States			Ohio			U.S.	State	U.S.
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III-IV	1977-III-IV	% Chg.
	Billions of dollars, not seasonally adjusted						Percentage		
Retail sales.....	192,430	219,670	5,880	5,629	8,881	11,236	10.3	11.2	117
Durable goods.....	62,065	71,573	n.a.	n.a.	3,088	3,754	11.8	15.9	117
Nondurable goods.....	134,595	147,447	n.a.	n.a.	5,793	7,482	9.6	9.2	117
n.a. = Data not available.									

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Ohio Through Fourth Quarter, 1978

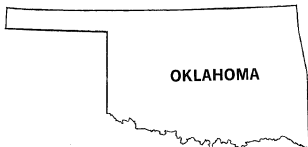
	United States						Ohio			U.S.	State	U.S.	State
	1977-IV		1978-IV		1977-III		1977-IV		1978-III		1978-IV		
	Not seasonally adjusted											Percent change	
New business incorporations.....	189,471	n.a.	3,582	3,375	3,488	n.a.	8.2	3.8	---	---			
Total number of business failures.....	1,884	n.a.	52	26	72	n.a.	-9.5	49.4	---	---			
Current liabilities (thousands of dollars).....	484,296	n.a.	9,765	3,275	9,629	n.a.	-44.2	-9.4	---	---			
Average liability per failure (thousands of dollars).....	258	n.a.	185	124	132	n.a.	-38.4	-25.8	---	---			
Business failures by industry.....													
Mining and manufacturing.....	248	n.a.	6	3	8	n.a.	-10.1	32.3	---	---			
Construction.....	219	n.a.	7	4	20	n.a.	1.0	185.7	---	---			
Wholesale trade.....	281	n.a.	4	2	4	n.a.	-27.1	-32.3	---	---			
Retail trade.....	686	n.a.	25	12	31	n.a.	-4.2	19.2	---	---			
Commercial services.....	238	n.a.	7	5	10	n.a.	-24.0	42.9	---	---			

n.a. Data not available.
Source: Bureau of Economic Analysis, U.S. Department of Commerce.

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income

—Up 14.1% vs. 12.6% in U.S., to \$21.2 billion
—Mining payrolls up 32.3% vs. 33.9% in U.S.

Consumer prices

—Up 9.2% in Dallas vs. 8.9% in U.S.

Employment

—Up 1.8% vs. 3.9% in U.S., to 1.2 million

Unemployment

—Down 15,000, to 38,000

—Rate down 1.3 percentage points, to 3.0% of labor force vs. 5.5% in U.S.

Construction

—Total valuation of contracts up 26.9% vs. 16.8% in U.S., to \$719 million

—Valuation of nonresidential contracts doubled vs. 15.8% gain in U.S., due to hospital contract in Tulsa County

—Number of dwelling-unit starts up 18.2% vs. near stability in U.S., to 7,595

TABLE 1.—Summary of Economic Indicators, United States and Oklahoma Through Fourth Quarter, 1978

	United States								
	1977:IV	1978:IV	1977:II						
	All indicators, except labor								
Total personal income (billions of dollars).....	1,583,568	1,782,519	1,782,519	18,344	18,344	18,344	12,762	12,762	12,762
Total wages and salaries (billions of dollars).....	1,013,216	1,140,695	1,066	11,688	12,466	12,762	12,762	12,762	12,762
Civilian employment (thousands).....	92,442	94,632	1,175	1,186	1,214	1,287	4.1	4.1	3.9
Unemployment (thousands).....	6,149	8,608	82	53	42	38	-9.8	-9.8	-9.8
Percent unemployed (unemployment/labor force).....	6.2	5.5	5.3	4.3	3.4	3.0	---	---	---
Total loans (billions of dollars).....	636,562	n.a.	7,435	7,883	8,855	n.a.	16.3	16.7	---
Total deposits (billions of dollars).....	525,517	n.a.	17,009	13,144	13,603	n.a.	11.5	13.3	---
Total valuation of construction contracts (billions of dollars).....	38,812,111	45,455,773	725,673	546,852	755,228	715,258	14.5	4.6	16.8
Dwelling units started (number).....	445,772	443,675	7,274	6,427	7,536	7,595	1.8	4.9	-8
Total retail sales (billions of dollars).....	157,630	215,029	n.a.	n.a.	n.a.	n.a.	10.3	---	11.2
New business incorporations (number).....	109,411	n.a.	901	806	1,434	n.a.	8.2	59.2	---
Business failures (number).....	1,684	n.a.	35	54	43	n.a.	-5.5	11.3	---
Consumer Price Index (1967=100):									
U.S. city average.....	185.3	202.8	---	---	---	---	7.9	---	8.1
Dallas.....	185.3	202.8	182.4	183.8	197.3	200.7	8.2	---	---
Houston.....	185.3	202.8	182.4	183.8	197.3	200.7	8.2	---	---

n.a.: Data not available.

Sources: See Tables 2 through 8.

Chart 3.—Total Personal Income
(Seasonally adjusted)

Chart 4.—Industrial Composition of Wages and Salaries: Oklahoma
(Seasonally adjusted)

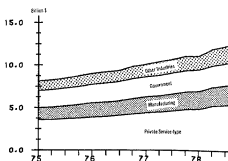
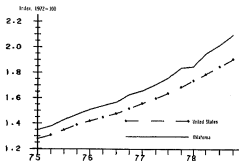


TABLE 2.—Personal Income, United States and Oklahoma Through Fourth Quarter, 1978

	United States			Oklahoma			U.S. State	U.S.	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV			
	Billions of dollars, seasonally adjusted at annual rates ¹								Percent change ²
Total personal income	1,583,508	1,782,519	17,825	18,584	20,448	21,195	12.4	14.7	12.6
Farm personal income	31,224	39,451	232	413	261	489	47.9	17.2	26.3
Nonfarm personal income	1,552,284	1,743,068	17,603	18,172	20,187	20,707	11.9	14.7	12.3
Total personal income	1,583,508	1,782,519	17,825	18,584	20,448	21,195	12.4	14.7	12.6
Wage and salary disbursements	1,003,216	1,140,696	10,656	11,090	12,466	12,762	12.1	16.5	12.5
Other labor income	95,016	111,719	1,607	1,061	1,233	1,251	17.0	27.4	16.4
Proprietors' income	185,593	125,996	1,216	1,468	1,464	1,758	21.5	17.2	18.9
Farm	23,636	31,044	56	281	119	390	66.6	23.6	31.3
Nonfarm	82,317	94,951	1,154	1,187	1,346	1,499	12.8	16.5	15.3
Dividends, interest, and net	214,592	242,442	2,745	2,819	2,058	3,141	17.3	11.4	12.8
Transfer payments	215,544	233,758	2,662	2,704	2,895	2,945	8.8	8.7	8.2
State unemployment insurance benefits	11,138	7,753	43	56	25	29	-24.0	-17.9	-20.3
Less: personal contributions	82,212	71,610	673	694	814	873	14.8	21.8	15.1
Plus: residence adjustment	-461	-473	138	137	145	150			
Wage and salary disbursements	1,013,216	1,140,696	10,696	11,090	12,466	12,762	12.1	16.5	12.6
Farm	7,176	7,539	124	129	139	146	8.5	12.1	10.6
Nonfarm	1,006,040	1,133,157	10,572	10,961	12,327	12,616	12.1	16.6	12.6
Mining	14,048	18,813	856	878	1,125	1,162	26.5	32.5	33.9
Construction	55,648	66,858	604	534	754	772	18.1	27.1	20.1
Manufacturing	276,132	312,979	1,973	2,076	2,369	2,362	12.1	16.9	13.3
Durable goods	176,216	203,653	1,254	1,331	1,514	1,539	13.7	23.7	15.2
Non-durable goods	59,895	109,317	719	745	783	823	9.4	13.5	19.6
Private service-type	455,764	515,248	4,661	4,852	5,477	5,983	17.8	17.5	12.1
Transportation, communication, and public utilities	76,584	85,294	839	942	1,034	1,057	10.4	15.1	11.3
Wholesale and retail trade	170,888	195,035	1,896	1,905	2,288	2,330	13.6	19.9	14.1
Finance, insurance, and real estate	54,452	61,653	580	526	584	595	14.1	16.8	13.2
Services	153,840	173,795	1,369	1,389	1,581	1,611	12.6	16.3	12.7
Government	201,252	215,083	2,469	2,524	2,623	2,667	7.4	6.8	5.9
Federal	86,176	79,053	1,204	1,152	1,154	1,259	7.3	4.5	7.1
State and local	135,076	142,080	1,265	1,372	1,469	1,408	7.5	6.3	6.8
Other	2,216	3,685	27	28	31	31	16.7	15.5	14.6

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Missions.

TABLE 3.—Consumer Price Index, United States and Oklahoma Through Fourth Quarter, 1978¹

	United States			Oklahoma			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV 1978:IV
	Index, 1967 = 100, not seasonally adjusted						Percent change		
U.S. city average ^a	185.3	201.8	---	---	---	---	7.9	---	8.9
Oklahoma	---	---	182.4	183.8	197.3	206.7	---	6.2	---

1. Consumer Price Indexes are shown for the most recent SMSAs for which data are available.
2. Average for 85 representative cities based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and rounded data are used for subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Oklahoma's civilian labor force increased 0.5 percent, well below the Nation's 3.1-percent advance (table 4). Total employment increased 1.8 percent, to just over 1.2 million. Oklahoma's advance was exceeded in 42 States and was 2.1 percentage points below the national average advance.

With employment increasing by 21,000 and the labor force increasing by only 6,000, the number of unemployed declined by 15,000. The unemployment rate declined 1.3 percentage points, to 3.0 percent of the labor force, compared with 5.5 percent nationally. Only Nebraska,

Kansas, and South Dakota had lower unemployment rates than Oklahoma in 1978:IV.

Across the State, unemployment rates varied somewhat. According to preliminary data for December 1978, unemployment rates in the two metropolitan areas of Oklahoma City (Oklahoma County) and Tulsa (Tulsa County) were 2.7 and 2.9 percent, respectively, versus a preliminary State rate of 3.2 percent. The unemployment rate outside Oklahoma and Tulsa Counties was 3.6 percent.

Chart 5—Labor Force, Employment, and Unemployment, 1978:IV
Oklahoma

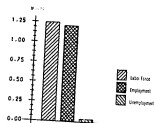


Chart 6—Unemployment Rates, 1977:IV—1978:IV

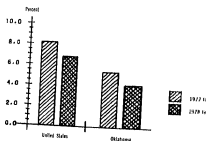


TABLE 4.—Labor Force, United States and Oklahoma Through Fourth Quarter, 1978

	United States AND Oklahoma Through Fourth Quarter, 1978									
	United States			Oklahoma			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III - 1978:III		1977:IV - 1978:IV	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
in nonagriculture periods	84,210	87,708	982	999	1,819	1,944	4.3	5.4	4.2	4.6
agriculture and public utilities	787	899	59	56	55	59	8.2	8.7	14.2	8.7
nonagriculture	19,888	20,722	57	51	59	56	10.4	12.4	11.3	9.6
at home	4,781	4,591	184	186	139	172	3.1	3.6	3.7	3.9
in and near labor force	19,152	20,815	66	66	82	81	3.8	2.9	4.4	2.9
in and near labor force	4,862	4,796	214	219	245	218	5.3	4.4	4.5	4.1
labor force	35,539	36,909	50	50	52	52	4.6	4.2	-2.0	3.8
labor force	15,434	15,856	209	183	175	174	4.5	8.6	4.4	6.6
labor force	15,434	15,856	209	229	217	228	2.1	4.0	1.4	2.8
labor force	98,591	100,435	1,237	1,239	1,257	1,246	3.2	3.6	3.1	3.5
labor force	92,442	96,818	1,175	1,186	1,214	1,203	4.3	3.3	3.9	1.8
labor force	8,149	5,005	62	53	42	38	-5.4	-31.5	-8.8	-28.7
labor force	6.2	5.5	5.6	4.3	3.4	3.0				

not add to totals because of rounding.

Source: 1978 data are being estimated by new methods, using more current data. This is shown, and users are advised to exercise caution when making comparisons over time.

Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

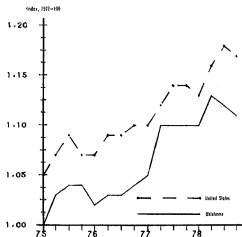


Chart 8.—Civilian Employment

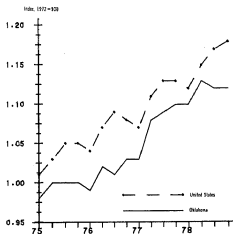


Chart 9.—Unemployment Rate

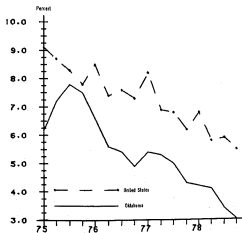
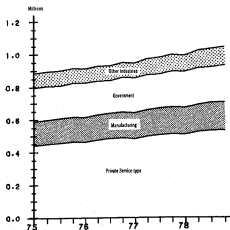


Chart 10.—Industrial Composition of Nonagricultural Employment: Oklahoma



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5—Commercial Banking Indicators, United States and Oklahoma Through Fourth Quarter, 1978

	United States			Oklahoma			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III	1978:IV	1977:III	1978:IV
	Millions of dollars, not seasonally adjusted ¹						Percent ²			
Total loans	611,502	n.a.	7,435	7,893	8,825	n.a.	16.3	18.1	...	...
Commercial and industrial	296,317	n.a.	2,345	2,524	2,782	n.a.	14.2	15.4	...	...
Loans to individuals	146,599	n.a.	1,239	1,381	2,312	n.a.	28.2	23.6	...	...
Real estate	177,915	n.a.	1,681	1,792	2,172	n.a.	19.8	29.1	...	...
Personal	101,236	n.a.	470	724	862	n.a.	21.3	10.1	...	...
Other	7,731	n.a.	210	213	232	n.a.	10.7	10.3	...	...
Automobile	88,968	n.a.	880	855	1,805	n.a.	19.0	20.6	...	...
Form, including self-estate	25,764	n.a.	920	970	970	n.a.	6.8	6.8	...	...
Other	61,547	n.a.	625	818	583	n.a.	8.0	5.7	...	...
Total deposits	825,511	n.a.	12,699	12,144	13,403	n.a.	11.5	12.2	...	...
Demand	377,683	n.a.	4,543	5,356	5,148	n.a.	18.2	13.1	...	...
Time and savings	547,828	n.a.	7,466	7,788	8,454	n.a.	12.3	13.2	...	...

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

The total valuation of contracts in Oklahoma rose 26.9 percent from 1977:IV to 1978:IV, exceeding the Nation's gain by 10 percentage points, to \$719 million (table 6). National construction costs rose about 13 percent during the same timespan; if this rise reflects the advance throughout Oklahoma, the real valuation of contracts rose about 14 percent in the State versus a national rise of about 4 percent.

The valuation of nonresidential contracts in the State doubled from 1977:IV to 1978:IV. Oklahoma's gain far exceeded the Nation's 15.8-percent average gain and ranked second only to the gain in Louisiana. In 1978:IV, the valuation of nonresidential contracts totaled \$205 million, including a \$42 million contract for a hospital in Tulsa County.

The valuation of residential housekeeping contracts rose by one-fifth, exceeding the Nation's gain of 15.6 percent, to \$315 million. The

number of dwelling units started rose 18.2 percent, or almost 1,200 units, to 7,600. The State's gain ranked among the largest in the Nation. Nationally, in contrast, the number of dwelling units started was almost unchanged at a high level. The valuation of contracts for additions and alterations to residential housekeeping units rose 29.9 percent, twice the national average, to \$121 million.

The only major construction market in the State that registered a decline in the valuation of contracts was nonbuilding. The valuation of these contracts declined 37.3 percent, one of the largest declines among all States and in sharp contrast to the Nation's 22.2-percent average gain. The valuation of street and highway contracts declined by almost one-half versus a 16.3-percent decline nationally. The large decline contributed substantially to the weakness in the State's nonbuilding market.

Chart 14.—Construction Contracts—Total Valuation

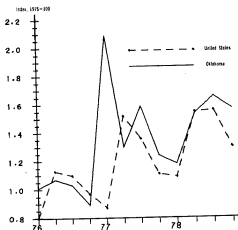


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Oklahoma

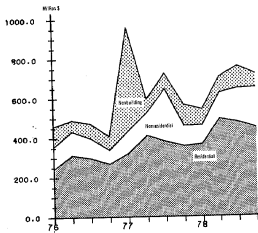


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

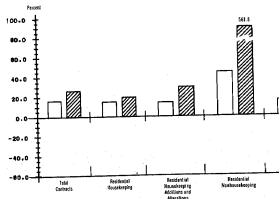


TABLE 6.—Construction Contracts, United States and Oklahoma Through Fourth Quarter, 1978¹

	United States			Oklahoma			Q4 1977	Q4 1976	Q4 1975
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV			
Total value of contracts	38,912,113	45,458,773	725,673	566,852	758,228	719,298	14.5	8.6	28
Residential housekeeping, additions and alterations:									
Vacation (thousands of dollars)	1,707,387	8,832,353	130,655	92,913	131,273	126,618	36.8	17.7	31
All other contracts									
Number of contracts	62,789	56,928	956	564	984	972	4.4	2.8	11
Value (thousands of dollars)	31,285,124	36,627,420	515,868	473,919	629,670	598,633	14.0	7.2	18
Floor area (thousands of square feet)	881,453	571,596	18,740	14,438	18,699	18,674	10.8	5.5	12
Residential housekeeping:									
Number of contracts	14,825	14,182	263	259	261	261	5.5	4.0	10
Value (thousands of dollars)	445,772	443,675	7,274	6,427	7,610	7,555	1.1	0.8	4
Floor area (thousands of square feet)	14,825,586	17,198,518	286,451	267,734	380,635	415,123	15.9	7.9	16
Floor area (thousands of square feet)	579,733	641,796	11,194	10,854	11,321	12,422	10.8	5.5	12
Nonresidential:									
Number of contracts	500	585	7	4	5	10	10.0	2.8	4
Value (thousands of dollars)	3,381,517	4,902,749	3,097	1,640	5,590	11,078	9.8	7.6	10
Floor area (thousands of square feet)	4,467	10,560	93	77	152	222	7	6.6	31
Nonresidential:									
Number of contracts	38,756	37,855	356	370	335	387	2.5	1.1	13
Value (thousands of dollars)	8,334,415	10,819,768	266,841	103,074	171,481	285,819	27.6	11.4	18
Floor area (thousands of square feet)	193,253	203,248	7,453	3,589	4,281	5,474	12.7	8.7	18
Manufacturing:									
Number of contracts	16,704	15,126	310	321	404	299	22.8	11.1	10
Value (thousands of dollars)	6,652,426	8,127,854	79,429	106,950	111,470	167,554	2	8.3	27
Streets and highways:									
Number of contracts	4,886	4,099	37	36	596	35	9.9	12.5	28
Value (thousands of dollars)	2,388,681	1,931,341	24,480	49,214	54,845	25,614	1.2	12.8	18

1. Contracts started or expected to start within 60 days.
2. Percent change for floor area based on unrounded data.

Source: U.S. Budget Director, McGraw-Hill Construction Information Group.
NOTE: Data for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Oklahoma are not available.

TABLE 7.—Retail Sales, United States and Oklahoma Through Fourth Quarter, 1978

United States, District of Columbia, and Puerto Rico Through Fourth Quarter, 1978									
Retail sales	United States			District of Columbia			Q4 1978	Q4 1977	Q4 1976
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV			
	Billions of dollars, not seasonally adjusted								
total	137,810	219,020	n.a.	n.a.	n.a.	n.a.	10.0	10.0	10.0
wholesale trade	62,065	71,573	n.a.	n.a.	n.a.	n.a.	10.0	10.0	10.0
retail trade	134,965	147,447	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

n.a. Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Oklahoma Through Fourth Quarter, 1978

United States and Oklahoma through Fourth Quarter, 1978									
	United States			Oklahoma			Q4 1978	Q4 1977	Q4 1976
	1977-IV	1978-III	1977-III	1977-IV	1978-III	1978-IV			
	Not seasonally adjusted								
New business incorporations									
Total number of business failures	109,411	n.a.	991	806	1,434	n.a.	8.7	16.2	10
and liabilities (thousands of dollars)	1,444	n.a.	36	54	46	n.a.	-9.5	13.2	10
Age liability per failure (thousands of dollars)	484,296	n.a.	15,152	5,947	29,910	n.a.	44.2	97.9	10
Business failures by industry	268	n.a.	421	110	749	n.a.	16.4	77.6	10
Manufacturing	248	n.a.	5	6	10	n.a.	10.1	130.5	10
Retail trade	319	n.a.	7	9	5	n.a.	1.0	28.9	10
Finance	190	n.a.	0	0	3	n.a.	27.1	10.0	10
Transportation	688	n.a.	29	25	11	n.a.	-4.2	10.0	10
Service	238	n.a.	4	5	6	n.a.	-24.0	16.2	10

N.B.: Data not available for some items.

n.a. Data not available.
Source: Bureau of Economic Analysis.

NOTE: This table may not be reproduced without the permission of the Bureau of Economic Analysis.



Highlights

1977:IV to 1978:IV

- Personal income** —Up 14.8% vs. 12.6% in U.S., to \$20.1 billion
 —Government payrolls up 8.9% vs. 6.9% in U.S.
 —Nondurables manufacturing payrolls down 0.4% due to paper workers' strike
- Consumer prices** —Portland index up to 207.8 in 1978:IV (1967=100)
- Employment** —Up 6.9% vs. 3.9% in U.S., to 1.1 million
- Unemployment** —Up 1,000, to 74,000
 —Rate down 0.3 percentage point, to 6.1% of labor force vs. 5.5% in U.S.
- Construction** —Total valuation of contracts up 25.0% vs. 16.8% in U.S., to \$599 million
 —Valuation of nonresidential contracts up 92.8% vs. 15.8% in U.S., to \$150 million
 —Number of dwelling-unit starts down 11.4% vs. near stability in U.S., to 7,299

TABLE 1.—Summary of Economic Indicators, United States and Oregon Through Fourth Quarter, 1978

	United States			Oregon			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:III	1977:IV— 1978:III	1977:IV— 1978:III
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars).....	1,543,589	1,782,519	16,715	57,544	79,314	28,136	12.4	15.6	12.6	14.6
Total wages and salaries (millions of dollars).....	1,013,216	1,140,696	16,706	31,362	32,488	12,962	12.1	15.9	12.6	14.3
Civilian employment (thousands).....	92,442	96,010	1,073	1,687	1,130	1,341	4.1	5.3	3.9	6.9
Unemployment (thousands).....	6,149	5,805	74	73	64	74	-9.8	-13.3	-8.6	2.2
Percent unemployed (unemployment/labor force).....	6.2	5.5	6.4	6.4	5.4	6.1	---	---	---	---
Total taxes (millions of dollars).....	618,537	n.a.	5,043	5,441	6,186	n.a.	16.3	22.7	---	---
Total deposits (millions of dollars).....	975,511	n.a.	7,282	7,744	6,272	n.a.	11.5	13.6	---	---
Total valuation of construction contracts (thousands of dollars).....	38,913,111	45,456,773	824,274	478,480	734,864	599,495	14.5	-6.0	18.6	25.0
Overlaid units started (number).....	445,172	443,075	10,138	8,234	8,659	7,299	1.0	-14.6	-5	-11.4
Total retail sales (millions of dollars).....	197,030	219,329	n.a.	n.a.	n.a.	n.a.	n.a.	8.2	23.4	---
New business incorporations (number).....	309,411	n.a.	1,406	1,506	1,709	n.a.	n.a.	-9.5	---	---
Business failures (number).....	1,684	n.a.	53	37	36	n.a.	n.a.	---	---	---
Consumer Price Index (1967=100):										
U.S. city average.....	185.3	201.8	---	---	---	---	7.9	---	---	6.5
Portland.....	---	---	---	---	202.2	207.8	---	---	---	---

n.a.: Data not available.

Sources: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Oregon increased 14.8 percent from 1977:IV to 1978:IV, leading the Nation's increase by over 2 percentage points (table 2). In 1978:IV, Oregon's personal income totaled \$20.1 billion, up \$2.6 billion since 1977:IV. The Consumer Price Index for the Portland metropolitan area (which includes Clark County, Washington) increased to 207.8 in 1978:IV (1967=100), from 202.2 in 1978:III (table 3).

Since the last national business cycle peak in 1973:IV, Oregon's economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 23 percent more than nationally, ranking Oregon ninth among all States.

Wage and salary disbursements (payrolls) increased 14.3 percent in Oregon from 1977:IV to 1978:IV, to \$13.0 billion. Payrolls in all but two major industries increased faster in the State than in the Nation. Construction payrolls increased 28.5 percent, one of the largest gains in the Nation and over 8 percentage points above the national gain. Federal Government payrolls increased 10.6 percent, compared with 7.1 percent nationally, to \$561 million. State and local government payrolls increased 8.4 percent versus 6.8 percent nationally; the level reached \$1.8 billion in 1978:IV, when it accounted for more than 14 percent of all payrolls in the State. Trade payrolls increased 16.3 percent, over 2 percentage points above the Nation's gain, to \$2.5 billion. Transportation-communication-public utilities payrolls increased 11.8 percent, marginally above the national average increase. Durables manufacturing payrolls increased 18.8 percent versus 15.2 percent nationally, to \$2.9 billion. Services payrolls registered a 12.2-percent increase, 0.5 percentage point below the Nation's gain.

Reflecting the adverse effects of a lumber and paper mill strike that lasted all of 1978:IV, payrolls in nondurables manufacturing declined 0.4 percent from year to year. The decline was larger only in Washington, a State also affected by the strike.

With Oregon's overall economy expanding, State unemployment insurance benefits declined 9.1 percent, compared with a national decline of 30.3 percent, to \$100 million.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
[Seasonally adjusted]

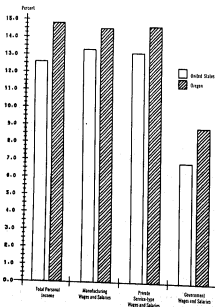


Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

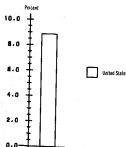


Chart 3.—Total Personal Income
(Seasonally adjusted)

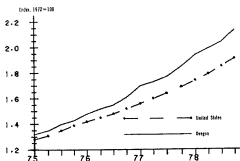


Chart 4.—Industrial Composition of Wages and Salaries: Oregon
(Seasonally adjusted)

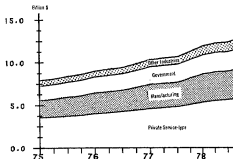


TABLE 2.—Personal Income, United States and Oregon Through Fourth Quarter, 1978

	United States			Oregon			U.S. State U.S.		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²		
Total personal income	1,543,568	1,782,519	16,715	17,544	19,316	26,136	12.4	15.6	12.6
Farm personal income	31,224	39,451	295	381	543	618	47.9	84.2	26.3
Nonfarm personal income	1,512,344	1,743,068	16,420	17,163	18,773	19,518	11.3	14.3	12.3
Total personal income	1,543,568	1,782,519	16,715	17,544	19,316	26,136	12.4	15.6	12.6
Wage and salary disbursements	1,033,216	1,149,696	10,705	11,342	12,498	12,962	12.1	15.9	17.6
Other labor income	58,915	111,719	923	1,391	1,123	1,125	17.0	32.6	15.4
Proprietors' income	155,955	125,995	1,298	1,332	1,410	1,738	21.5	31.1	38.9
Farm	33,636	31,644	91	165	312	376	66.6	249.9	31.3
Nonfarm	82,317	94,551	1,138	1,168	1,257	1,362	12.8	14.0	15.3
Manufacturing	214,982	247,442	2,381	2,344	2,518	2,674	17.3	12.4	12.8
Government	215,944	213,750	2,454	2,479	2,460	2,711	8.8	14	1.2
State unemployment insurance benefits	11,828	7,753	144	119	95	100	-24.0	-34.0	-26.3
Least personal contributions	92,232	11,610	744	783	850	920	14.8	18.4	15.3
Plus: residence adjustment	-481	-473	-166	-176	-193	-204	---	---	---
Wage and salary disbursements	1,033,216	1,149,696	10,705	11,342	12,498	12,962	12.1	15.9	17.6
Farm	1,131	7,939	186	250	212	277	8.5	12.7	10.6
Nonfarm	1,032,085	1,141,757	10,519	11,092	12,286	12,685	12.1	16.0	17.6
Mining	14,048	18,811	28	30	37	41	26.5	34.3	33.9
Manufacturing	95,648	64,658	672	695	795	894	18.1	37.9	38.1
Construction	276,112	312,679	2,833	3,088	3,357	3,537	12.1	16.5	13.3
Manufacturing	176,216	203,613	2,177	2,433	2,589	2,854	12.7	23.5	13.2
Durable goods	99,896	109,917	656	685	648	681	9.4	1.8	19.6
Non-durable goods	455,264	513,746	4,854	5,111	5,858	5,856	12.8	18.4	13.1
Private service-type	75,584	88,214	837	895	954	1,091	10.4	16.9	13.3
Transportation, communication, and public utilities	178,486	196,935	2,849	2,168	2,435	2,521	13.6	16.6	14.1
Wholesale and retail trade	54,452	61,653	513	556	633	691	14.1	23.5	12.2
Finance, insurance, and real estate	153,840	173,396	1,415	1,450	1,628	1,673	12.6	15.0	12.7
Services	200,352	215,083	2,129	2,156	2,297	2,291	7.4	7.6	6.9
Government	98,176	73,993	493	567	531	584	7.3	7.8	7.1
Federal	133,676	142,880	1,636	1,666	1,796	1,831	7.5	7.9	6.8
State and local	7,216	3,685	50	52	60	69	10.7	18.8	14.6

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Division.

TABLE 3.—Consumer Price Index, United States and Oregon Through Fourth Quarter, 1978¹

	United States			Oregon			U.S. State U.S.		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV
	Index, 1967=100, not seasonally adjusted						Percent change		
U.S. city average ²	185.3	201.8	---	---	202.2	207.1	7.9	---	1.5
Portland	---	---	---	---	---	---	---	---	---

1. Consumer Price Indexes are shown for the most relevant SMDASs for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and revised data are used for subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Oregon's civilian labor force increased 6.6 percent, more than twice the national advance; only two States registered larger advances (table 4). Total employment increased just over 1.1 million, for a 6.9-percent advance. Oregon's employment advance also ranked third among all States and was 3 percentage points above the national average advance.

With employment increasing by 74,000 and the labor force increasing by 75,000, the number of unemployed increased by 1,000. The

unemployment rate declined 0.3 percentage point, to 6.1 percent of the labor force. Nationally, the unemployment rate declined from 6.2 percent in 1977:IV to 5.5 percent in 1978:IV.

Across the State, unemployment rates varied somewhat. According to preliminary data for December 1978, unemployment rates in the major metropolitan areas ranged from 5.3 percent in Portland to 7.4 percent in Eugene-Springfield.

Chart 5.—Labor Force, Employed, and Unemployed, 1978:IV: Oregon

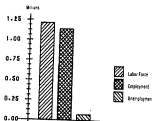


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

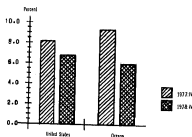


TABLE 4.—Labor Force, United States and Oregon Through Fourth Quarter, 1978

SOURCE: U.S. LABOR FORCE, United States and Oregon Through Fourth Quarter, 1978

	United States			Oregon			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:III—1978:III	1977:IV—1978:IV
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employment on nonagricultural payrolls										
Mining	84,230	87,708	944	962	997	1,824	4.3	5.7	4.2	6.9
Construction	787	859	46	2	2	2	8.2	10.5	14.2	11.1
Manufacturing	4,032	4,468	46	44	52	53	10.4	15.2	11.3	19.1
Transportation, communication, and public utilities	10,836	28,722	215	212	227	221	3.1	5.3	3.7	4.4
Wholesale and retail trade	4,761	4,971	55	55	58	59	3.8	5.7	4.4	6.9
Finance, insurance, and real estate	15,752	20,015	238	234	238	251	5.3	4.8	4.5	7.3
Servant	4,852	4,756	59	59	63	85	4.8	7.0	-2.0	10.0
Government	15,539	16,215	164	166	174	175	4.6	5.7	4.4	5.6
Chiefly labor force ³	15,434	15,954	175	181	182	200	2.1	3.9	1.4	4.4
Total employed	98,981	101,815	1,347	1,338	1,395	1,215	3.2	4.1	3.1	5.6
Total unemployed	32,442	35,010	1,013	1,067	1,130	1,141	4.1	5.3	3.9	6.9
Percent unemployed	6.14	5.85	74	73	64	74	-0.8	-12.1	-8.8	2.2
	6.2	5.5	6.4	6.4	5.8	5.1				

¹ Detail may not add to totals because of rounding.

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

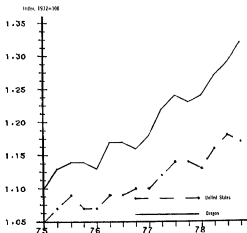


Chart 8.—Civilian Employment

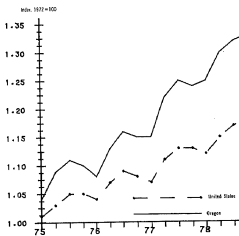


Chart 9.—Unemployment Rate

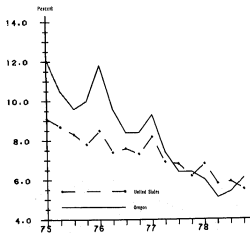
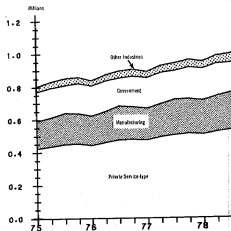


Chart 10.—Industrial Composition of Nonagricultural Employment: Oregon



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Oregon Through Fourth Quarter, 1978

	United States			Oregon			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	613,502	n.a.	5,943	5,440	4,188	n.a.	16.3	22.7	---	---
Commercial and industrial	156,317	n.a.	1,687	1,780	2,624	n.a.	14.2	39.9	---	---
Loans to individuals	140,589	n.a.	1,194	1,168	1,377	n.a.	26.2	24.7	---	---
Real estate	177,695	n.a.	1,504	1,634	2,019	n.a.	19.9	34.2	---	---
Residential	161,236	n.a.	962	1,617	1,227	n.a.	21.3	26.5	---	---
Farms	2,731	n.a.	17	17	36	n.a.	10.7	-2.9	---	---
Other	48,948	n.a.	525	600	766	n.a.	19.0	45.9	---	---
Farms, excluding real estate	25,704	n.a.	748	242	274	n.a.	6.8	10.8	---	---
Other	69,947	n.a.	950	607	492	n.a.	8.0	-1.5	---	---
Total deposits	925,911	n.a.	7,282	7,766	6,272	n.a.	11.5	13.6	---	---
Demand	277,643	n.a.	2,941	3,050	3,143	n.a.	10.2	6.5	---	---
Time and savings	647,878	n.a.	4,341	4,716	5,128	n.a.	12.3	16.1	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of contracts in Oregon rose by one-fourth, exceeding the Nation's 16.8-percent average gain, to \$599 million (table 6). National construction costs rose about 13 percent during the same timespan; if this rise reflects the advance throughout Oregon, the real total valuation of contracts in the State rose about 12 percent versus about 4 percent nationally.

The dollar gain in the valuation of nonresidential contracts accounted for over one-half of the State's year-to-year dollar gain in the total valuation of contracts. Nonresidential contracts in Oregon rose 92.8 percent—from \$78 million to \$130 million—compared with 15.8 percent nationally. Oregon's percent gain was exceeded in only two States—Louisiana and Oklahoma.

The valuation of contracts for additions and alterations to residential housekeeping units rose 25.9 percent, 11.3 percentage points more than

nationally, to \$112 million. The valuation of residential housekeeping contracts rose 14.6 percent, lagging the national rise by only percentage point, to \$285 million. In contrast, the number of dwelling units started in the State declined 11.4 percent, one of the largest declines among all States, to 7,300 units. Nationally, the number of dwelling units started was almost unchanged at a high level.

Nonbuilding contracts declined 22.8 percent in valuation from year to year, to \$46 million. This was the only decline registered by the construction market in the State. Nationally, nonbuilding contracts declined 22.2 percent in valuation. A major component of nonbuilding contracts, streets and highways, declined 39.7 percent in valuation, to \$13 million. Nationally, the valuation of street and highway contracts declined 19.1 percent.

Chart 14.—Construction Contracts—Total Valuation

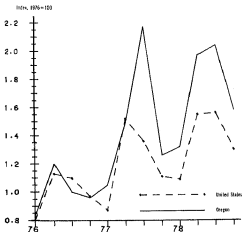
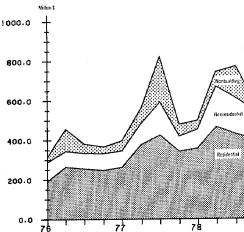


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Oregon



Percent

TABLE 6.—Construction Contracts, United States and Oregon Through Fourth Quarter, 1978¹

	United States			Oregon			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:III	
	Not seasonally adjusted						Percent change			
Total value of contracts	38,913,131	45,493,773	824,274	478,460	774,854	593,493	14.5	-6.8	16.8	75
Residential housekeeping, additions and alterations:										
Value (Thousands of dollars)	7,707,887	8,822,353	50,169	88,537	117,803	111,595	18.8	25.5	14.8	71
All other contracts:										
Number of contracts	62,789	56,938	263	678	946	894	4.4	10.9	-9.2	24
Value (Thousands of dollars)	31,265,124	36,672,420	731,110	390,893	657,051	481,900	14.0	-10.1	17.4	50
Floor area (Thousands of square feet)	481,183	571,594	17,380	13,387	17,829	15,844	10.8	1.8	10.7	181
Residential housekeeping:										
Number of contracts	14,825	14,192	249	232	211	202	-5.3	-15.3	-4.2	-129
Number of dwelling units	446,772	443,675	10,338	8,234	8,659	7,299	1.0	-14.5	-	-11.4
Value (Thousands of dollars)	14,879,556	17,199,518	302,312	248,545	308,944	284,850	15.3	2.2	15.6	161
Floor area (Thousands of square feet)	579,733	641,796	11,817	9,678	11,409	10,331	10.3	-3.5	10.7	81
Residential nonhousekeeping:										
Number of contracts	587	565	9	3	5	8	-10.0	-44.4	-4	181
Value (Thousands of dollars)	338,637	498,239	31,632	4,166	2,850	6,551	5.4	-93.4	44.9	500
Floor area (Thousands of square feet)	4,467	10,560	854	149	61	150	-	-7	-92.9	247
Nonresidential:										
Number of contracts	36,756	27,055	324	277	393	383	-2.5	21.3	-12.0	314
Value (Thousands of dollars)	5,334,415	10,810,389	164,759	77,804	187,145	158,622	27.8	9.2	15.8	918
Floor area (Thousands of square feet)	292,353	219,340	4,672	3,562	6,151	5,129	12.2	32.1	9.8	418
Manufacturing:										
Number of contracts	16,781	15,176	271	186	337	171	32.4	24.4	-9.1	-311
Value (Thousands of dollars)	5,652,476	8,027,854	231,081	60,138	183,922	46,447	-	-29.8	23.2	-23.8
Floor area (Thousands of square feet)	4,886	4,083	115	57	120	37	8.3	4.3	-12.8	-761
Value (Thousands of dollars)	2,308,681	1,931,341	38,945	20,986	37,269	12,547	3.0	-4.3	-16.3	-397

1. Contracts started or expected to start within 90 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Oregon are not available.

TABLE 7.—Retail Sales, United States and Oregon Through Fourth Quarter, 1978

	United States			Oregon			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:III	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	297,039	275,820	n.a.	n.a.	n.a.	n.a.	16.3	---	11.2	---
Durable goods	62,065	71,873	n.a.	n.a.	n.a.	n.a.	11.8	---	15.3	---
Nondurable goods	134,965	147,447	n.a.	n.a.	n.a.	n.a.	9.6	---	9.7	---

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

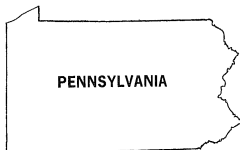
TABLE 8.—Business Incorporations and Failures, United States and Oregon Through Fourth Quarter, 1978

	United States			Oregon			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:III	
	Not seasonally adjusted						Percent change			
New business incorporations	1,014,411	n.a.	1,406	1,568	1,399	n.a.	8.2	21.6	---	---
Total number of business failures	1,484	n.a.	53	37	38	n.a.	-9.5	-28.3	---	---
Current liabilities (Thousands of dollars)	484,795	n.a.	5,316	5,493	4,327	n.a.	-46.2	-18.6	---	---
Average liability per failure (Thousands of dollars)	288	n.a.	100	124	114	n.a.	-38.4	14.0	---	---
Business failures by industry:										
Mining and manufacturing	248	n.a.	7	7	8	n.a.	-18.1	-14.3	---	---
Construction	379	n.a.	15	12	9	n.a.	1.0	-48.0	---	---
Wholesale trade	191	n.a.	3	3	4	n.a.	-27.1	33.3	---	---
Retail trade	868	n.a.	16	8	16	n.a.	-4.7	0	---	---
Commercial services	228	n.a.	12	6	3	n.a.	-24.0	-35.0	---	---

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



PENNSYLVANIA

Highlights

1977:IV to 1978:IV

Personal income	—Up 10.8% vs. 12.6% in U.S., to \$94.6 billion —Private service-type payrolls up 11.3% vs. 13.1% in U.S. —State and local government payrolls up 1.7% vs. 6.8% in U.S.
Consumer prices	—Up 7.2% in Philadelphia and 10.6% in Pittsburgh vs. 8.9% in U.S. —Northeast Pennsylvania index up to 198.5 in 1978:IV (1967=100)
Employment	—Up 3.7% vs. 3.9% in U.S., to 5.0 million
Unemployment	—Down 15,000, to 349,000 —Rate down 0.5 percentage point, to 6.5% of labor force vs. 5.5% in U.S.
Construction	—Total valuation of contracts up 10.3% vs. 16.8% in U.S., to \$1.6 billion —Valuation of nonresidential contracts down 7.9% vs. 15.8% gain in U.S., to \$324 million —Number of dwelling-unit starts up 14.0% vs. near stability in U.S., to 13,709
Retail sales	—Up 8.4% vs. 11.2% in U.S., to almost \$11.3 billion

TABLE 1—Summary of Economic Indicators, United States and Pennsylvania Through Fourth Quarter, 1978

	United States			Pennsylvania			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:IV— 1977:III	1977:IV— 1978:IV	1977:IV— 1978:IV	1977:IV— 1978:IV
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,583,508	1,782,539	83,598	45,369	92,296	94,981	12.4	18.4	12.6	11.2
Total wages and salaries (millions of dollars)	1,013,236	1,143,686	92,503	54,433	58,990	63,526	12.1	18.3	12.6	11.2
Civilian employment (thousands)	92,642	96,030	4,846	4,825	4,947	5,964	4.1	2.3	3.9	3.7
Unemployment (thousands)	6,148	5,809	383	364	370	348	-8.8	-4.3	-8.8	-4.3
Percent unemployed (unemployment/labor force)	6.2	5.5	7.5	7.5	7.5	6.5	—	—	—	—
Total loans (millions of dollars)	616,592	n.a.	25,257	26,278	28,737	n.a.	11.5	8.9	—	—
Total deposits (millions of dollars)	929,511	n.a.	48,630	51,838	52,843	n.a.	11.5	7.2	16.8	16.3
Total valuation of construction contracts (thousands of dollars)	28,913,111	45,489,173	1,806,399	1,481,951	1,829,149	1,634,939	14.5	1.8	5.5	-4
Dwelling units started (number)	448,772	443,075	14,444	12,827	15,245	12,709	1.0	3.7	11.2	8.4
Total retail sales (millions of dollars)	187,039	218,009	9,528	10,389	9,682	11,257	10.3	4.2	—	—
New business incorporations (number)	108,413	n.a.	3,354	2,645	3,453	n.a.	8.2	4.2	—	—
Business failures (number)	1,684	n.a.	182	183	66	n.a.	-8.5	-15.7	—	—
Consumer Price Index (1967=100)	185.3	201.8	—	—	—	—	7.9	—	8.9	—
U.S. city average	—	—	—	—	194.8	196.5	—	—	—	—
Northeast Pennsylvania	—	—	185.4	187.1	197.2	200.8	—	6.4	—	7.2
Philadelphia	—	—	186.6	187.5	199.1	202.5	—	19.2	—	16.6
Pittsburgh	—	—	—	—	—	—	—	—	—	—

n.a.: Data not available.

Source: See tables 2 through 8.

Labor Force

From 1977:IV to 1978:IV, Pennsylvania's civilian labor force increased 3.1 percent, equaling the national average advance (table 4). Total employment increased from 4.8 million to 5.0 million, a 3.7-percent advance that lagged the Nation's advance of 3.9 percent.

With employment increasing by 179,000 and the labor force increasing by only 164,000, the number of unemployed declined by 15,000. The unemployment rate declined 0.5 percentage point, to 6.5 percent of the labor force. In 1978:IV, Pennsylvania's unemployment rate was a full

percentage point above the Nation's 5.5-percent rate and was one of the highest among all States.

Across the State, unemployment rates varied considerably. According to preliminary data for December 1978, unemployment rates ranged from 3.8 percent of the labor force in Lancaster to 9.0 percent in Johnstown; the preliminary State rate was 6.0 percent. The two largest metropolitan areas, Philadelphia and Pittsburgh, had rates of 6.1 percent and 5.1 percent, respectively.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:III
Pennsylvania

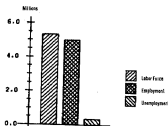


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

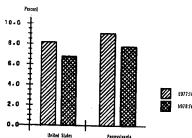


TABLE 4.—Labor Force, United States and Pennsylvania Through Fourth Quarter, 1978

	United States			Pennsylvania			U.S.		State	
	1977:IV	1978:IV	1978:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1978:IV	1977:IV— 1978:IV	1978:IV
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
all persons	84,210	87,708	4,573	4,608	4,651	4,467	4.3	1.7	4.2	1.3
civilian	78,787	80,959	48	48	47	47	8.2	-3.2	14.2	15.4
armed forces	4,032	4,488	261	189	207	194	10.4	2.9	11.3	2.8
agriculture, communication, and public utilities	15,586	20,222	1,553	1,544	1,368	1,358	3.1	1.1	3.7	1.8
trade and retail trade	4,761	4,371	390	359	356	362	3.1	1.1	3.7	1.8
health, insurance, and real estate	13,152	20,015	923	951	933	959	5.3	1.1	4.5	.9
education	4,852	4,756	220	220	228	228	4.8	3.5	-2.0	3.7
government	15,539	14,215	868	878	888	911	4.6	2.3	4.4	2.7
unemployed	15,434	15,456	760	723	722	738	2.1	2.3	1.4	-2.9
Civilian labor force³	38,591	39,615	5,281	5,163	5,317	5,352	3.2	1.5	3.1	3.1
employed	52,442	56,810	4,846	4,825	4,947	5,004	4.1	2.1	3.5	3.7
unemployed	6,149	5,805	395	364	370	348	-5.8	-6.3	-8.8	-4.3
unemployed	6.2	5.5	7.5	7.0	7.0	6.5				

¹ Detail may not add to totals because of rounding.

² Based on unrounded data.

³ Beginning January 1978, these data are being estimated by new methods, using more current data. This is a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

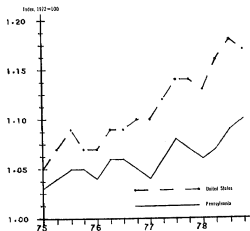


Chart 8.—Civilian Employment

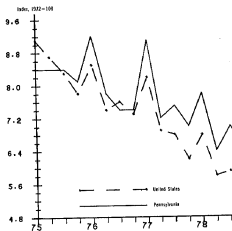


Chart 9.—Unemployment Rate

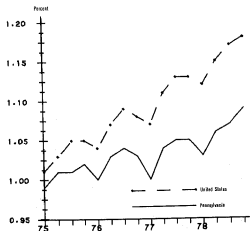
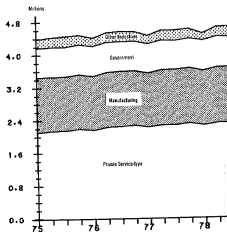


Chart 10.—Industrial Composition of Nonagricultural Employment: Pennsylvania



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Pennsylvania Through Fourth Quarter, 1978

	United States and Pennsylvania through Fourth Quarter, 1978									
	United States			Pennsylvania			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	618,562	n.a.	35,257	38,219	35,737	n.a.		16.3	12.7	
Commercial and industrial	156,307	n.a.	11,613	11,567	12,414	n.a.		14.2	8.8	
Construction	140,589	n.a.	7,918	8,180	8,118	n.a.		29.2	19.2	
Residential	171,525	n.a.	11,583	11,954	12,617	n.a.		19.9	17.6	
Farm	101,236	n.a.	6,882	7,084	8,273	n.a.		21.3	22.1	
Other	2,201	n.a.	294	304	334	n.a.		10.7	13.6	
Loans excluding residential	68,958	n.a.	4,427	4,485	4,995	n.a.		19.0	10.8	
Other	35,764	n.a.	264	274	298	n.a.		6.8	12.8	
Total deposits	69,947	n.a.	4,375	4,375	4,216	n.a.		8.0	5.2	
Demand	925,011	n.a.	43,430	51,838	53,843	n.a.		11.5	8.5	
Time and savings	277,683	n.a.	15,833	17,590	16,954	n.a.		10.2	7.1	
	947,828	n.a.	31,798	34,348	36,890	n.a.		12.3	9.1	

1. Data may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

The total valuation of contracts rose 10.3 percent from 1977:IV to 1978:IV, to \$1.6 billion (table 6). The gain in Pennsylvania lagged the Nation's gain by 6.5 percentage points. National construction costs rose almost 13 percent during this timespan; if this rise reflects the advance throughout Pennsylvania, the real total valuation of contracts declined about 3 percent in the State versus a national rise of about 4 percent.

The valuation of nonresidential contracts declined 7.9 percent from year to year, in contrast with a 15.8-percent national gain. Pennsylvania's decline totaled \$28 million, to a level of \$324 million in 1978:IV.

The valuation of contracts for additions and alterations to residential housekeeping units declined 3.7 percent, the largest decline among all States, to \$522 million. Nationally, addition and alteration contracts rose 14.6 percent in valuation. In contrast, the valuation of residential

housekeeping contracts in Pennsylvania rose 19.9 percent, leading Nation's average gain of 15.6 percent, to almost \$500 million. The number of dwelling units started rose 14.0 percent, or 1,682 units, 13,709. Nationally, the number of dwelling units started was almost unchanged at a high level.

The valuation of nonbuilding contracts rose 43.2 percent, compared with a national gain of 22.2 percent, to \$240 million. A major component of nonbuilding contracts, streets and highways, registered a 10.3-percent gain in valuation, compared with a 16.3-percent national decline.

The valuation of residential nonhousekeeping contracts rose from \$15 million in 1977:IV to \$50 million in 1978:IV. The national counterpart rose 44.8 percent.

Chart 14.—Construction Contracts—Total Valuation

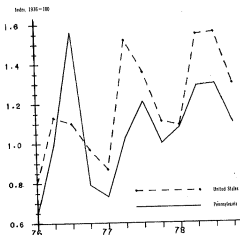


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Pennsylvania

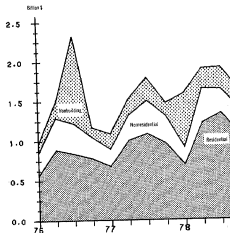


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

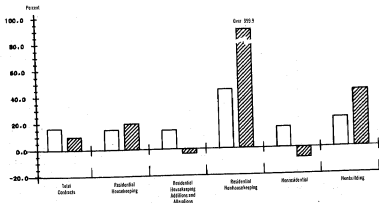


TABLE 6.—Construction Contracts, United States and Pennsylvania Through Fourth Quarter, 1978¹

	United States			Pennsylvania			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:III	
	Not seasonally adjusted						Percent change ²			
Total value of contracts	34,803,212	45,498,773	1,850,190	1,481,051	1,528,140	1,634,935	14.5	7.2	18.8	10.9
Residential: Acquiring, additions and alterations; Value (thousands of dollars)	7,787,887	8,832,353	595,904	542,617	700,884	522,320	16.8	16.8	14.1	-3.7
All other contracts:										
Number of contracts	42,769	56,928	2,515	2,604	2,864	1,804	4.4	13.9	-9.3	-10.0
Value (thousands of dollars)	31,285,124	36,627,420	1,254,286	938,434	1,228,255	1,112,615	14.9	2.3	17.4	18.5
Floor area (thousands of square feet)	881,453	971,016	26,345	23,918	26,530	27,100	10.8	12.1	10.2	13.3
Residential nonresidential:										
Number of contracts	14,825	14,152	359	330	339	303	-5.3	-5.6	-4.3	0
Value (thousands of dollars)	445,772	443,075	14,444	12,207	15,245	13,799	1.0	5.5	-6	14.0
Floor area (thousands of square feet)	14,879,996	17,798,518	482,145	415,912	553,875	498,821	15.3	23.0	15.6	19.9
Residential nonresidential:										
Number of contracts	578,753	641,758	17,288	14,586	24,536	17,817	10.2	17.9	10.7	18.9
Value (thousands of dollars)	507	945	15	5	20	5	-10.0	25.0	-4	80.0
Floor area (thousands of square feet)	338,637	490,279	7,882	3,840	53,337	49,953	5.4	583.2	44.8	**
Nonresidential:										
Number of contracts	8,482	16,569	191	173	1,173	485	-7	515.5	24.7	180.4
Value (thousands of dollars)	30,756	27,655	997	915	875	772	-2.5	-12.2	-12.6	-15.6
Floor area (thousands of square feet)	9,334,415	10,810,780	418,855	351,889	308,759	324,213	27.6	-28.4	15.8	-7.9
Nonresidential:										
Number of contracts	292,253	319,240	8,887	8,751	7,822	8,758	12.2	-12.6	8.0	5
Value (thousands of dollars)	16,781	15,176	1,343	754	1,630	683	22.4	42.6	-9.1	-8.1
Streets and Highways:										
Number of contracts	6,652,476	8,127,854	258,982	167,184	281,314	239,632	-1	-3.3	22.2	43.2
Value (thousands of dollars)	4,905	4,895	585	302	759	190	9.3	29.7	-17.8	-5.9
Floor area (thousands of square feet)	2,208,681	1,941,341	54,361	38,125	65,720	42,098	3.0	19.6	-15.3	10.3

**Percent change greater than 500.0.

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information System Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Pennsylvania totaled almost \$11.3 billion in 1978:IV, up 8.4 percent (\$869 million) since 1977:IV, compared with an 11.2-percent national increase (table 7). In 1978:IV, nondurable goods accounted for over \$8.0 billion, and durable goods accounted for over \$3.2 billion.

TABLE 7.—Retail Sales, United States and Pennsylvania Through Fourth Quarter, 1978

	United States			Pennsylvania			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:III	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	197,030	219,020	9,528	18,388	5,882	11,257	38.3	3.7	11.2	8.4
Durable goods	62,965	71,573	n.a.	n.a.	3,161	3,229	11.8	—	15.3	—
Nondurable goods	134,065	147,447	n.a.	n.a.	6,721	8,028	9.6	—	9.2	—

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Pennsylvania Through Fourth Quarter, 1978

	United States			Pennsylvania			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:III	
	Not seasonally adjusted						Percent change			
New business incorporations	108,411	n.a.	3,514	2,645	3,493	n.a.	8.2	4.2	—	—
Total number of business failures	1,484	n.a.	392	383	85	n.a.	-9.5	-15.7	—	—
Current liabilities (thousands of dollars)	484,256	n.a.	15,868	28,502	47,819	n.a.	-44.2	280.2	—	—
Average liability per failure (thousands of dollars)	288	n.a.	154	199	547	n.a.	-38.4	258.2	—	—
Business failures by industry										
Mining and manufacturing	248	n.a.	18	17	9	n.a.	-10.1	-50.0	—	—
Construction	319	n.a.	38	23	15	n.a.	1.9	-16.7	—	—
Wholesale trade	191	n.a.	11	10	8	n.a.	-27.1	-22.1	—	—
Retail trade	588	n.a.	45	44	41	n.a.	-4.2	-4.7	—	—
Commercial services	238	n.a.	12	9	15	n.a.	-24.0	8.3	—	—

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

RHODE ISLAND



Highlights

1977:IV to 1978:IV

- Personal income** —Up 11.5%, 1.1 percentage points less than in U.S.
 —Weak increases in private service-type industries and durables manufacturing
 —Strong increases in government and construction
- Consumer prices** —Up 7.5% in Boston vs. 8.9% in U.S.
- Employment** —Up 0.5% vs. 3.9% in U.S., to 414,000
- Unemployment** —Down 9,000, to 23,000
 —Rate down to 5.2% of labor force vs. 5.5% U.S. rate
- Construction** —Total valuation of contracts up 7.7% vs. 16.8% in U.S., to \$140 million
 —Most construction categories in State weak
 —Number of dwelling units started in 1978:IV was 1,403, with little year-to-year change, as in U.S.

TABLE 1.—Summary of Economic Indicators, United States and Rhode Island Through Fourth Quarter, 1978

	United States			Rhode Island			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III-1978:III	1977:III-1978:III	Percent change
	All indicators, except income, not seasonally adjusted						Percent change		
Total personal income (millions of dollars).....	1,583,506	1,782,519	6,394	6,571	1,171	7,325	12.4	12.2	
Total wages and salaries (millions of dollars).....	1,003,276	1,140,696	3,945	4,090	4,446	4,552	12.1	12.7	
Civilian employment (thousands).....	92,442	98,016	404	412	412	414	4.1	2.0	
Unemployment (thousands).....	6,149	5,665	40	32	28	23	-9.8	-26.7	
Percent unemployed (unemployment/labor force).....	6.2	5.5	9.0	7.2	5.9	5.2	—	—	
Total loans (millions of dollars).....	518,562	n.a.	2,812	2,505	3,217	n.a.	16.3	14.4	
Total deposits (millions of dollars).....	818,511	n.a.	3,564	3,172	4,063	n.a.	11.5	15.7	
Total valuation of construction contracts (thousands of dollars).....	38,312,111	45,459,773	117,629	129,856	140,837	128,878	14.5	19.8	
Dwelling units started (number).....	445,772	443,875	1,694	1,394	1,345	1,403	1.0	-20.5	
Total retail sales (millions of dollars).....	197,630	218,620	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
New business incorporations (number).....	109,411	n.a.	482	495	495	n.a.	8.2	2.3	
Business failures (number).....	1,584	n.a.	4	13	6	n.a.	-8.5	58.0	
Consumer Price Index (1967=100):									
U.S. city average.....	185.3	201.8	—	—	—	—	7.9	—	
Boston.....	—	—	185.0	185.3	194.2	199.2	—	5.9	

n.a.: Data not available.

Source: See tables 2 through 8.

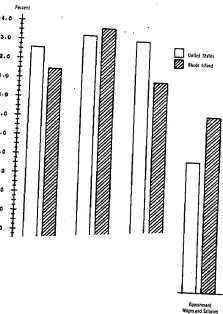
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 11.5 percent from 1977:IV to 1978:IV, 1.1 percentage points less than nationally (table 2). In 1978:IV, Rhode Island's total personal income was \$7.3 billion, up \$0.8 billion since 1977:IV. Changes in many major income components were below those registered in corresponding components nationally. Like Rhode Island, most of the New England States had increases in total personal income that were close to the national average.

Since the last national business cycle peak (1973:IV), Rhode Island's economy has increased slowly; the increase in nonfarm income was 16 percent less than nationally, ranking Rhode Island 46th among all States. All of the States that grew more slowly than Rhode Island were in the Northeast.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)



Consumer prices in Boston, the metropolitan area closest to Rhode Island for which price data are available, increased 7.5 percent from 1977:IV to 1978:IV versus a national increase of 8.9 percent (table 3). If Boston's index is used as an indicator for price movements in the State, real total personal income in Rhode Island increased 4.0 percent versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 12.1 percent in the State versus 12.6 percent in the Nation. In 1978:IV, they totaled \$4.6 billion, up \$0.5 billion from year to year.

Weakness was particularly pronounced in private service-type industries, where payrolls increased 11.0 percent versus 13.1 percent in the Nation. The lag was especially large in trade and services.

Total manufacturing payrolls increased 13.7 percent in the State versus 13.3 percent in the Nation. Durable goods manufacturing payrolls, in contrast, increased 14.7 percent in Rhode Island, 0.5 percentage point less than in the Nation. This lag was especially important inasmuch as durable goods payrolls accounted for 24.1 percent of Rhode Island's total payrolls in 1978:IV, compared with a 17.8-percent weight nationally. Nondurable goods manufacturing payrolls increased 11.5 percent in the State versus 10.0 percent in the Nation. Construction payrolls and Federal and State and local government payrolls also were strong in Rhode Island.

With the State's income growth lagging the Nation's, State unemployment insurance benefits in Rhode Island declined only 9.1 percent versus a decline of 30.3 percent in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

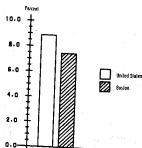


Chart 3.—Total Personal Income
(Seasonally adjusted)

Chart 4.—Industrial Composition of Wages and Salaries: Rhode Island
(Seasonally adjusted)

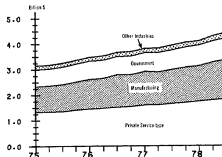
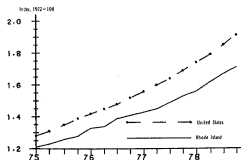


TABLE 2.—Personal Income, United States and Rhode Island Through Fourth Quarter, 1978

	United States			Rhode Island			U.S. State U.S.		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:IV—1978:IV
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²		
Total personal income	1,583,518	1,782,519	6,394	6,571	7,171	7,205	12.4	12.2	12.6
Form personal income	31,224	35,451	6	7	6	7	47.9	4	26.2
Nonform personal income	1,552,294	1,747,068	6,388	6,565	7,165	7,200	11.9	12.2	12.3
Total personal income	1,583,518	1,782,519	6,394	6,571	7,171	7,205	12.4	12.2	12.6
Wage and salary disbursements	1,613,216	1,740,696	3,946	4,050	4,446	4,552	12.1	12.7	12.6
Other labor income	96,616	111,719	379	395	445	455	17.6	17.4	16.4
Proprietors' income	105,952	125,899	272	277	299	310	23.5	9.9	18.9
Farm	29,636	31,244	1	1	0	1	66.6	-52.9	31.3
Nonfarm	86,317	94,591	271	276	299	309	12.8	16.1	15.3
Dividends, interest, and rent	214,932	242,442	824	843	911	912	12.3	16.4	12.8
Transfer payments	215,944	232,750	1,897	1,320	1,314	1,315	6.8	10.7	8.2
State unemployment insurance benefits	11,128	7,713	87	51	83	83	-24.0	14.1	-30.3
Less: personal contributions	62,252	71,610	280	286	322	325	14.8	14.8	15.1
Plus: residence adjustment	-481	-473	155	163	178	183	—	—	—
Wage and salary disbursements	1,613,216	1,740,696	3,946	4,050	4,446	4,552	12.1	12.7	12.6
Farm	7,176	7,899	5	5	5	6	8.5	2.3	16.6
Nonfarm	1,606,040	1,732,797	3,941	4,045	4,441	4,547	12.1	12.7	12.6
Mining	14,048	18,813	2	2	3	3	26.5	44.8	33.9
Construction	55,648	64,858	199	198	188	196	16.1	17.3	20.1
Manufacturing	276,112	312,870	1,341	1,384	1,516	1,573	12.1	14.5	15.3
Durable goods	176,216	203,653	927	954	1,052	1,099	13.7	13.5	15.2
Nondurable goods	99,896	109,217	424	429	464	475	9.4	16.8	16.6
Private service-type	455,754	515,348	1,669	1,761	1,855	1,899	12.8	11.8	13.1
Transportation, communication, and public utilities	75,584	85,284	177	182	200	201	16.4	13.0	11.3
Wholesale and retail trade	170,888	195,035	688	671	692	699	13.6	13.6	14.1
Finance, insurance, and real estate	34,452	41,653	218	215	238	243	14.1	9.2	13.2
Services	153,840	173,386	696	675	726	746	12.5	16.7	17.7
Government	281,702	295,085	766	795	844	856	7.4	16.1	6.9
Federal	88,176	73,025	222	224	251	251	7.3	8.5	7.1
State and local	193,526	222,060	544	571	593	605	7.5	10.8	6.6
Other	3,218	3,685	14	14	17	17	18.2	18.4	14.8

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Division.

TABLE 3.—Consumer Price Index, United States and Rhode Island Through Fourth Quarter, 1978¹

	United States			Rhode Island			U.S. State U.S.		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:IV—1978:IV
	Index, 1967=100, not seasonally adjusted						Percent change		
U.S. city average ²	105.3	201.8	105.6	105.3	104.2	105.2	7.9	5.0	8.9
Boston	---	---	---	---	---	---	---	---	---

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 25 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and revised data are used for subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, the civilian labor force in the State declined 1.6 percentage points, in sharp contrast with a national average increase of 3.1 percent (table 4). Rhode Island's decline was the largest among the three States that had declines. The other declines were in Arkansas and Mississippi. Total employment in the State increased only 0.5 percent versus a national increase of 3.9 percent, to 414,000. Only two States—Mississippi, where employment was unchanged, and Arkansas, where it declined 1.7 percent—ranked below Rhode Island.

With the labor force declining 7,000 and employment increasing 2,000, unemployment declined 9,000, to 23,000. The unemployment rate declined 2.0 percentage points, to 5.2 percent. Rhode Island's decline was exceeded only in Nevada (2.3 percentage points). All New England States except Connecticut registered sharp declines in unemployment rates. While in 1977:IV, the unemployment rate in Rhode Island had been well above the national average rate, in 1978:IV, the State's rate was somewhat below the national average rate of 5.5 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Rhode Island

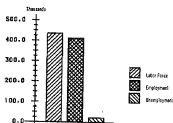


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

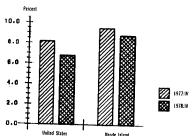


TABLE 4.—Labor Force, United States and Rhode Island Through Fourth Quarter, 1978

	Rhode Island and United States 1977 Through Fourth Quarter, 1978											
	United States					Rhode Island			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:III—1978:III	1977:IV—1978:IV		
	Thousands of persons, not seasonally adjusted ¹								Percent change ²			
Employees on nonagricultural payrolls.....	84,220	87,768	389	389	402	408	4.3	5.6	4.2	4.7		
Mining and services.....	16,326	17,114	72	73	76	77	—	4.8	—	6.2		
Construction.....	4,632	4,488	14	13	15	15	10.4	7.4	11.3	10.4		
Manufacturing.....	19,888	20,722	126	132	137	138	3.1	8.2	3.7	5.0		
Transportation, communication, and public utilities.....	4,761	4,971	14	14	14	14	3.6	4.7	4.4	3.7		
Wholesale and retail trade.....	19,152	20,015	77	80	81	83	5.3	4.7	4.5	4.3		
Finance, insurance, and real estate.....	4,552	4,758	15	19	19	20	4.8	3.6	—2.0	4.1		
Government.....	15,434	15,696	58	59	60	61	2.1	3.0	1.4	1.8		
Civilian labor force ³	92,442	95,010	494	444	437	437	3.2	—1.4	3.1	—3.6		
Total employed.....	92,442	95,010	494	412	412	414	4.1	2.0	3.9	5.5		
Total unemployed.....	6,149	5,605	40	32	26	23	—9.8	—25.7	—8.8	—28.5		
Percent unemployed.....	6.2	5.5	5.0	7.2	6.5	5.2	—	—	—	—		

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This notes a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

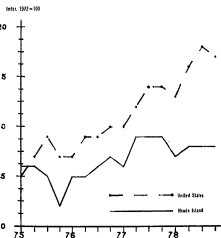


Chart 8.—Civilian Employment

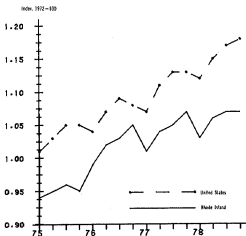


Chart 9.—Unemployment Rate

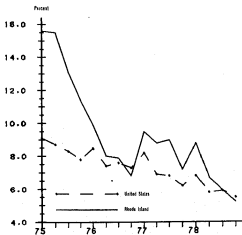
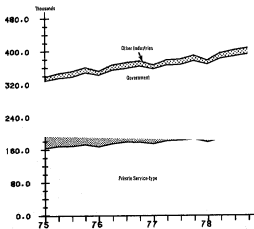


Chart 10.—Industrial Composition of Nonagricultural Employment: Rhode Island



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Rhode Island Through Fourth Quarter, 1978

	United States			Rhode Island			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:IV- 1978:II		1977:IV- 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	\$10,502	n.a.	2,012	2,936	3,217	n.a.	16.3	14.4	---	---
Commercial and industrial	196,117	n.a.	820	882	1,024	n.a.	14.2	24.9	---	---
Loans to individuals	140,589	n.a.	409	420	465	n.a.	20.2	13.8	---	---
Real estate	177,535	n.a.	1,432	1,409	1,546	n.a.	19.9	7.9	---	---
Financial	301,216	n.a.	895	903	927	n.a.	21.3	3.5	---	---
Other	7,721	n.a.	1	1	1	n.a.	10.7	10.2	---	---
Private, excluding real estate	68,568	n.a.	537	565	618	n.a.	19.0	15.1	---	---
Other	25,204	n.a.	0	0	0	n.a.	6.6	-42.6	---	---
Total deposits	69,947	n.a.	151	161	182	n.a.	8.6	28.5	---	---
Overhead	979,811	n.a.	3,394	3,772	4,063	n.a.	11.5	15.7	---	---
Time and savings	377,183	n.a.	890	991	968	n.a.	10.9	8.5	---	---
	347,828	n.a.	2,514	2,780	3,087	n.a.	12.1	18.1	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 7.7 percent in Rhode Island, lagging the national average gain by 9.1 percentage points (table 6). In 1978:IV, contracts in Rhode Island totaled \$140 million, for a gain over the year of \$10 million. All major construction categories except residential housekeeping were weak in the State.

Construction costs nationally increased about 13 percent; if this increase is representative of cost changes in Rhode Island, the real valuation of construction contracts declined about 5 percent, in contrast with a gain of about 4 percent in the Nation.

The valuation of contracts for additions and alterations to residential housekeeping units was little changed from year to year in the State, in sharp contrast with a gain of 14.6 percent in the Nation.

The valuation of nonresidential contracts was down 4.3 percent in State versus a gain of 15.8 percent in the Nation.

The valuation of nonbuilding contracts increased 7.2 percent in State and 22.2 percent in the Nation. Partly accounting for the weak in the State was a decline of 43.8 percent in the valuation of street and highway contracts, compared with a national decline of 16.3 percent.

The valuation of residential housekeeping contracts increased 1.4 percent in the State, nearly 10 percentage points more than nationally. Only fifteen States had larger gains. The number of dwelling units started in the State was virtually unchanged, at 1,403 units. In the Nation, the number of dwelling units started was virtually unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

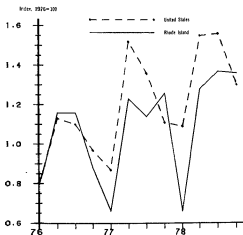


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Rhode Island

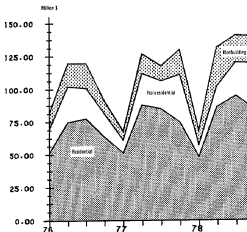


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

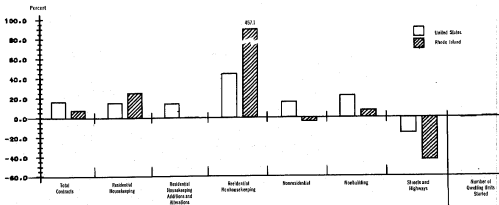


TABLE 6.—Construction Contracts, United States and Rhode Island Through Fourth Quarter, 1978*

	United States			Rhode Island			U.S.	State	U.S.	State
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III - 1978-III	1977-IV - 1978-IV	1977-III - 1978-III	1977-IV - 1978-IV
Total value of contracts	31,513,312	45,488,773	317,626	129,856	146,887	128,638	34.5	16.8	16.8	16.8
Residual of inventories, additions and allocations:										
Valuation (Thousands of dollars)	7,702,987	8,832,163	37,655	24,725	45,566	24,793	16.8	20.4	14.6	14.6
All other contracts:										
Number of contracts	62,765	56,358	181	194	229	163	4.4	21.5	-9.3	-9.3
Valuation (Thousands of dollars)	31,208,124	36,627,426	75,774	53,131	95,321	104,825	14.0	19.5	17.4	17.4
Residual of inventories:										
Number of contracts	881,453	571,596	2,888	2,459	2,270	2,375	10.2	8.7	10.2	10.2
Valuation (Thousands of dollars)	14,825	14,182	30	39	31	35	-5.1	-70.5	-4.3	-4.3
Valuation (Thousands of dollars)	445,772	443,075	1,604	1,394	1,346	1,403	1.0	-28.5	-5	-5
Floor area (Thousands of square feet)	14,875,596	17,198,518	47,035	38,704	49,315	49,793	15.3	4.8	15.6	15.6
Residential nonhousing:										
Number of contracts	575,133	641,795	1,445	1,428	1,589	1,687	10.3	-3.4	10.7	11
Valuation (Thousands of dollars)	507	508	2	1	0	1	-10.0	—	-4	4
Floor area (Thousands of square feet)	338,837	480,275	24	7	0	39	9.4	—	46.8	497
Nonresidential:										
Number of contracts	8,467	10,560	8	0	0	0	—	—	24.7	—
Valuation (Thousands of dollars)	30,785	27,055	82	79	86	88	-2.5	4.5	-12.0	11
Floor area (Thousands of square feet)	9,134,415	16,810,160	21,359	36,555	25,385	34,979	27.6	18.9	15.8	-4
Per building:										
Number of contracts	283,243	318,240	444	1,030	682	688	12.2	53.7	8.9	-33
Valuation (Thousands of dollars)	16,761	15,136	58	75	103	99	22.4	77.6	-9.1	-21
Streets and highways:										
Number of contracts	6,682,476	8,127,854	11,355	18,865	26,817	28,217	-1	81.6	22.2	-21
Valuation (Thousands of dollars)	4,986	4,009	13	18	34	10	9.3	181.5	-7	-64
Valuation (Thousands of dollars)	2,380,681	1,831,341	2,313	5,878	7,671	3,354	3.0	240.3	-18.3	-13.8

1. Contracts started or expected to start within 90 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Data for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Rhode Island are not available.

TABLE 7.—Retail Sales, United States and Rhode Island Through Fourth Quarter, 1978

	United States			Rhode Island			U.S.	State	U.S.	State
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III - 1978-III	1977-IV - 1978-IV	1977-III - 1978-III	1977-IV - 1978-IV
Retail sales:										
Durable goods	197,036	219,820	n.a.	n.a.	n.a.	n.a.	16.2	—	11.2	—
Nondurable goods	62,065	71,573	n.a.	n.a.	n.a.	n.a.	11.8	—	15.3	—
Total	124,965	147,417	n.a.	n.a.	n.a.	n.a.	9.6	—	9.2	—

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Rhode Island Through Fourth Quarter, 1978

	United States			Rhode Island			U.S.	State	U.S.	State
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III - 1978-III	1977-IV - 1978-IV	1977-III - 1978-III	1977-IV - 1978-IV
New business incorporations	309,431	n.a.	482	486	486	n.a.	8.2	2.7	—	—
Total number of business failures	1,884	n.a.	4	13	6	n.a.	-9.5	50.0	—	—
Age liability per failure (Thousands of dollars)	484,235	n.a.	334	2,924	893	n.a.	-44.2	158.4	—	—
Business failures by industry:										
Wholesale and manufacturing	288	n.a.	84	225	147	n.a.	-38.4	89.0	—	—
Trade	248	n.a.	9	3	0	n.a.	—	—	—	—
Service	319	n.a.	0	3	0	n.a.	-10.1	—	—	—
Trade	191	n.a.	0	1	1	n.a.	—	—	—	—
Trade	588	n.a.	4	5	4	n.a.	-27.1	—	—	—
Commercial services	235	n.a.	0	1	1	n.a.	-24.0	—	—	—

n.a.: Data not available.
Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income

- Up 12.2% vs. 12.6% in U.S., to \$19.0 billion
- Payrolls up 9.2% in nondurable manufacturing vs. 10.0% in U.S.
- Payrolls down 1.3% in Federal Government vs. 7.1% increase in U.S.

Consumer prices

- Up 7.8% in Atlanta vs. 8.9% in U.S.

Employment

- Up 1.8% vs. 3.9% in U.S., to 1.2 million

Unemployment

- Down 12,000, to 72,000
- Rate down to 5.5% of labor force, the same as nationally

Construction

- Total valuation of contracts up 20.2% vs. 16.8% in U.S., to \$576.1 million
- Number of dwelling-unit starts up 27.0% vs. near stability in U.S., to 8,130

TABLE 1—Summary of Economic Indicators, United States and South Carolina Through Fourth Quarter, 1978

	United States			South Carolina			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV
	All indicators, except income, not seasonally adjusted						Percent change		
Total personal income (millions of dollars)	1,583,508	1,782,519	16,343	18,824	18,455	18,987	12.4	12.9	12.6
Total wages and salaries (millions of dollars)	1,012,216	1,140,886	10,898	11,282	12,180	12,529	12.1	11.8	12.6
Civilian employment (thousands)	92,442	96,030	1,210	1,204	1,246	1,225	4.1	2.8	3.5
Unemployment (thousands)	6,149	5,885	96	84	78	72	-9.8	-17.3	-8.8
Percent unemployed (unemployment/labor force)	6.2	5.5	7.3	6.5	6.0	5.5	—	—	—
Total income (millions of dollars)	618,562	n.a.	3,923	3,119	3,459	n.a.	16.3	14.4	—
Total deposits (millions of dollars)	825,511	n.a.	4,733	4,957	5,135	n.a.	11.5	9.2	—
Total valuation of construction contracts (thousands of dollars)	38,913,111	45,456,773	484,219	479,214	565,063	576,125	14.5	16.6	16.1
Dwelling units started (number)	446,772	443,075	1,271	6,401	6,347	8,130	1.0	-12.7	-5.1
Total retail sales (millions of dollars)	197,030	218,026	n.a.	n.a.	n.a.	n.a.	10.3	—	11.2
New business incorporations (number)	106,411	n.a.	1,494	937	582	n.a.	8.2	-61.0	—
Business failures (number)	1,684	n.a.	9	9	2	n.a.	-6.5	-17.8	—
Consumer Price Index (1967=100):									
U.S. city average	185.3	201.8	—	—	—	—	7.9	—	8.9
Atlanta	—	—	183.0	184.5	195.2	198.8	—	6.7	—

n.a.: Data not available.

Source: See tables 2 through 8.

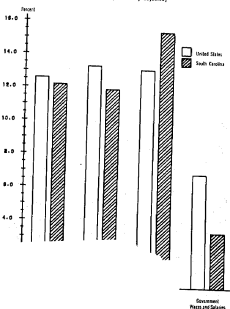
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 12.2 percent from 1977:IV to 1978:IV versus 12.6 percent nationally (table 2). In 1978:IV, the State's personal income totaled \$19.0 billion, up \$2.1 billion since 1977:IV. South Carolina's increase in total personal income would have been smaller had it not been for a 75.3-percent increase in farm personal income, one of the largest in the Nation, compared with a national increase of 26.3 percent. The State's nonfarm personal income increased 11.3 percent from year to year versus 12.3 percent nationally. Since the most recent national business cycle peak in 1973:IV, South Carolina's nonfarm economy has grown somewhat more rapidly than the Nation's; the increase in the State's nonfarm income was 5 percent more than nationally, ranking South Carolina 27th among all States.

From 1977:IV to 1978:IV, the Consumer Price Index for the Atlanta metropolitan area increased 7.8 percent versus an 8.9-percent national city average increase (table 3). If Atlanta's index is used as an indicator for price movements in the State, real total personal income in South Carolina increased 4.4 percent from year to year versus 3.7 percent nationally.

Chart 1—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)



Wage and salary disbursements (payrolls) increased 10.9 percent in the State, 1.7 percentage points less than nationally. South Carolina's increase was one of the smallest in the Nation.

Payrolls in nondurable goods (mainly textiles) manufacturing, which accounted for a large share of South Carolina's total payrolls in 1978:IV, increased 9.2 percent from year to year versus 10.0 percent nationally. In contrast, durable goods manufacturing payrolls increased 18.3 percent in the State versus 15.2 percent nationally.

Federal Government payrolls declined 1.3 percent from year to year, compared with a national increase of 7.1 percent. South Carolina's decline was exceeded only by the 1.9-percent decline in Montana. State and local government payrolls, in contrast, increased 7.8 percent in South Carolina, 1.0 percentage point more than nationally.

Payrolls in the State's construction industry increased only 10.1 percent, one of the smallest increases in the Nation. The national increase in construction payrolls was twice South Carolina's.

Within the State's private service-type payrolls, all components registered rates of increase that exceeded those of national counterparts. The payroll increase in the transportation-communication-public utilities group was especially large, 17.5 percent, compared with a national increase of 11.3 percent. South Carolina's increase was the third largest in the Nation, after increases of 18.8 percent in Nevada and 17.7 percent in Washington. Trade payrolls in the State increased 15.4 percent versus 14.1 percent nationally, and services payrolls increased 14.9 percent versus 12.7 percent nationally. In finance-insurance-real estate, payrolls increased 13.9 percent in the State versus 13.2 percent nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 33.1 percent in South Carolina and 30.3 percent in the Nation.

Chart 2—Consumer Price Index, Percent Change, 1977:IV—1978:IV

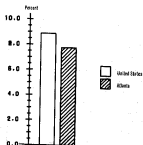


Chart 3.—Total Personal Income
(Seasonally adjusted)

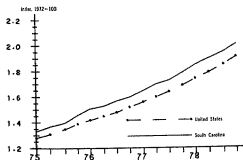


Chart 4.—Industrial Composition of Wages and Salaries: South Carolina
(Seasonally adjusted)

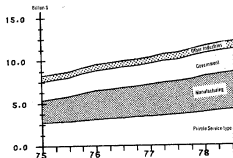


TABLE 2.—Personal Income, United States and South Carolina Through Fourth Quarter, 1978

	United States			South Carolina			U.S. State U.S.		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:III— 1978:III	1977:III— 1978:III
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²		
Total personal income	1,583,508	1,782,919	16,343	16,024	18,458	18,987	12.4	12.9	12.6
Farm personal income	31,234	29,451	166	238	375	400	47.9	126.2	26.3
Nonfarm personal income	1,552,274	1,753,468	16,177	15,786	18,083	18,587	11.9	11.8	12.3
Total personal income	1,583,508	1,782,919	16,343	16,024	18,458	18,987	12.4	12.9	12.6
Wage and salary disbursements	1,013,216	1,140,888	10,898	11,253	12,189	12,525	12.1	11.8	12.6
Other labor income	56,816	111,793	931	943	1,080	1,094	17.0	12.6	18.4
Proprietors' income	105,953	125,605	84	98	1,213	1,295	21.5	32.7	38.9
Farm	23,635	31,044	86	146	288	310	68.6	235.8	31.3
Nonfarm	82,317	94,561	628	847	925	955	12.8	11.7	15.3
Dividends, interest, and rent	214,692	242,442	1,813	1,854	2,042	2,055	12.3	12.6	12.8
Transfer payments	215,944	223,759	2,292	2,339	2,514	2,554	4.8	9.7	6.2
Less: personal contributions	11,178	7,753	93	86	54	58	74.0	-31.2	-50.3
Plus: residence adjustment	62,712	71,619	681	694	742	754	14.9	14.8	15.1
Plus: residence adjustment	-401	-473	286	212	239	234	---	---	---
Wage and salary disbursements	1,013,216	1,140,888	10,898	11,253	12,189	12,525	12.1	11.8	12.6
Farm	2,176	7,939	78	81	84	88	8.5	8.4	10.6
Nonfarm	1,006,640	1,132,757	10,821	11,173	12,096	12,441	12.1	11.8	12.6
Mining	14,048	18,815	20	20	24	25	26.5	16.1	33.9
Manufacturing	55,646	68,859	459	468	749	735	15.1	12.6	20.1
Construction	276,112	312,490	3,874	3,893	4,254	4,475	12.3	12.4	13.3
Wholesale goods	170,216	202,053	1,331	1,386	1,283	1,403	13.7	16.1	15.2
Retail goods	95,836	105,917	2,743	2,814	3,041	3,073	12.4	12.4	12.4
Nonmerchandise goods	455,744	515,348	2,684	2,694	4,222	4,357	12.4	12.4	12.4
Private service-type	170,888	194,825	1,507	1,569	1,731	1,755	12.4	12.4	12.4
Transportation, communication, and public utilities	76,584	85,264	602	621	657	657	12.4	12.4	12.4
Wholesale and retail trade	155,848	173,296	1,385	1,385	1,385	1,385	12.4	12.4	12.4
Finance, insurance, and real estate	54,452	62,853	428	428	428	428	12.4	12.4	12.4
Services	201,252	215,083	2,547	2,547	2,547	2,547	12.4	12.4	12.4
Government	48,176	72,003	1,189	1,302	1,333	1,285	12.4	12.4	12.4
Federal	132,876	142,088	1,259	1,402	1,471	1,531	12.4	12.4	12.4
State and local	15,300	30,915	130	160	162	154	12.4	12.4	12.4
GNP	2,316	2,685	26	36	43	43	12.4	12.4	12.4

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Division.

TABLE 3.—Consumer Price Index, United States and South Carolina Through Fourth Quarter, 1978¹

	United States			South Carolina			U.S. State U.S.		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:III— 1978:III	1977:III— 1978:III
	Index, 1967=100, not seasonally adjusted						Percent change		
U.S. city average	155.3	159.4	153.9	154.5	159.2	158.8	7.9	8.7	6.9
Atlanta	---	---	---	---	---	---	---	---	---

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and rounded data are used for subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, South Carolina's civilian labor force increased only 0.7 percent versus 3.1 percent nationally (table 4). South Carolina's increase was exceeded in 45 States. Total employment increased 1.8 percent versus 3.9 percent nationally, to more than 1.2 million. The State's increase ranked 43rd in the Nation.

With employment increasing by about 21,000 and the labor force increasing by about 10,000, the number of unemployed declined by between 11,000 and 12,000. South Carolina's unemployment rate declined 1.0 percentage point, to 5.5 percent of the State's labor force. The national unemployment rate in 1978:IV was also 5.5 percent, down 0.7 percentage points from the 1977:IV level.

According to preliminary data for December 1978, the unemployment rate was 4.9 percent for the State as a whole and 5.4 percent for Charleston-North Charleston, 3.8 percent for Columbia, and 3 percent for Greenville-Spartanburg. These data indicate that unemployment rates were generally lower in the industrial Piedmont and mountain sections of the State than in the agricultural coastal plains. From December 1977 to December 1978, the unemployment rate declined 1.9 percentage points in Greenville-Spartanburg, compared with a decline of 1.2 percentage points statewide; Greenville-Spartanburg's decline was the largest among the State's major metropolitan areas.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: South Carolina

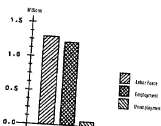


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

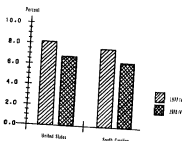


TABLE 4.—Labor Force, United States and South Carolina Through Fourth Quarter, 1978

	United States and South Carolina Through Fourth Quarter, 1978											
	United States						South Carolina		U.S.	State	U.S.	SC
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III-1978:IV	1977:IV-1978:IV				
	Thousands of persons, not seasonally adjusted ¹						Percent change ²					
Employees on nonagricultural payrolls	84,218	87,798	1,085	1,100	1,116	1,129	4.3	2.9	4.1	11		
Mining	787	399	2	2	2	2	8.2	0	14.2	1		
Construction	4,032	4,488	69	69	74	72	18.4	6.5	10.3	1		
Manufacturing	19,856	20,722	382	385	385	388	3.1	0	3.7	1		
Wholesale and retail trade	4,761	4,971	46	46	46	50	1.4	6.3	4.4	11		
Finance, insurance, and real estate	15,152	16,015	204	205	211	212	5.2	1.1	4.1	11		
Services	4,852	4,758	42	42	45	44	4.8	6.5	-2.8	13		
Government	15,509	16,215	138	134	147	139	4.6	3.1	4.4	11		
Civilian labor force ³	85,434	87,658	263	270	276	273	2.3	3.4	1.4	11		
Total employed	94,881	101,615	1,706	1,287	1,346	1,297	2.2	1.6	11	1		
Total unemployed	92,442	96,010	1,210	1,204	1,225	1,225	4.1	2.5	3.1	11		
Percent unemployed	4.19	5.65	98	84	78	72	-3.8	-12.3	-11	11		
	6.2	6.5	7.3	6.5	6.0	5.5						

1. Detail may not add to totals because of rounding.
2. Based on preceding period.

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

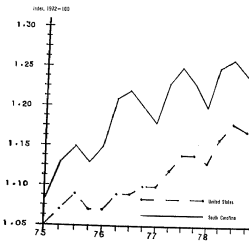


Chart 8.—Civilian Employment

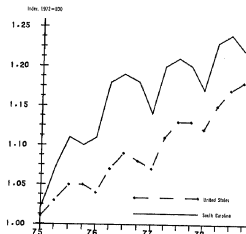


Chart 9.—Unemployment Rate

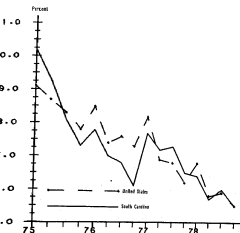
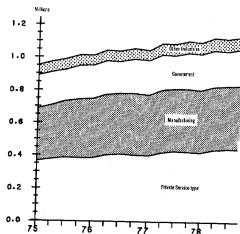


Chart 10.—Industrial Composition of Manufacturing Employment: South Carolina



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and South Carolina Through Fourth Quarter, 1978

	United States			South Carolina			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III- 1978:III	1977:IV- 1978:IV	1977:III- 1978:III	1977:IV- 1978:IV
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	670,582	n.a.	3,923	3,128	3,463	n.a.	16.3	14.4	---	---
Commercial and industrial	106,317	n.a.	806	841	875	n.a.	14.2	8.6	---	---
Loans to individuals	140,999	n.a.	1,295	1,359	1,545	n.a.	23.2	19.3	---	---
Real estate	177,835	n.a.	733	743	862	n.a.	19.9	17.5	---	---
Residential	104,236	n.a.	282	292	344	n.a.	21.3	21.8	---	---
Other	7,731	n.a.	45	47	48	n.a.	10.7	5.6	---	---
Farms, excluding real estate	68,968	n.a.	405	401	470	n.a.	15.0	15.6	---	---
Other	28,784	n.a.	86	73	77	n.a.	6.8	-10.5	---	---
Total deposits	69,947	n.a.	103	106	108	n.a.	8.0	-2.3	---	---
Demand	925,511	n.a.	4,733	4,967	5,173	n.a.	11.5	6.3	---	---
Time and savings	277,583	n.a.	2,480	2,680	2,732	n.a.	10.2	9.4	---	---
Total	947,828	n.a.	2,253	2,387	2,461	n.a.	12.3	9.2	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 20.2 percent (\$96.9 million), to \$576.1 million (table 6). The national increase was 16.8 percent. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the real increase in the total valuation of contracts in South Carolina was about 1 percent versus about 4 percent nationally.

Residential housekeeping contracts increased 31.0 percent in valuation versus 15.6 percent nationally. The number of dwelling units started increased 27.0 percent (1,729 units), to 8,130 units. The State's percent increase was one of the largest in the Nation. Nationally, in contrast, the

number of dwelling units started was almost unchanged at a high level. Contracts for residential housekeeping additions and alterations increased 31.5 percent in valuation in the State, more than twice as fast as nationally. South Carolina's increase was one of the largest in the Nation.

Nonresidential contracts increased 7.3 percent in valuation versus 15.8 percent nationally.

The valuation of nonbuilding contracts increased 6.3 percent, compared with 22.2 percent nationally. Street and highway contracts, a major component of nonbuilding contracts, declined 1.6 percent versus a decline of 16.3 percent nationally.

Chart 14.—Construction Contracts—Total Valuation

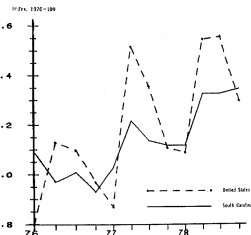


Chart 15.—Construction Contracts—Valuation of Contracts by Type: South Carolina

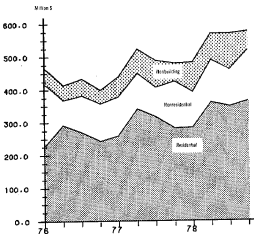


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

Percent

TABLE 6.—Construction Contracts, United States and South Carolina Through Fourth Quarter, 1978¹

	United States			South Carolina			U.S.	State	U.S.	State
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III - 1978-III		1977-III - 1978-III	
	Not seasonally adjusted						Percent change ²			
Total value of contracts	58,915,111	45,450,773	489,215	479,214	568,063	576,125	14.5	10.6	10.6	10.6
Residential: housekeeping, additions and alterations:										
Value in thousands of dollars	7,707,987	8,832,353	191,569	83,362	118,285	100,651	16.8	16.5	14.8	14.8
All other contracts:										
Number of contracts	62,789	56,508	818	811	933	758	4.4	14.1	9.2	9.2
Valuation (thousands of dollars)	31,295,124	36,027,420	388,951	385,852	456,778	456,474	14.0	16.1	17.1	17.1
Floor area (thousands of square feet)	881,453	971,586	13,961	14,266	15,531	17,709	10.6	17.1	17.1	17.1
Residential: nonhousekeeping:										
Number of contracts	14,825	14,332	185	193	188	218	-5.1	2.7	1.1	1.1
Valuation (thousands of dollars)	445,772	440,875	7,271	6,491	6,347	8,126	1.0	-12.1	-8.2	-8.2
Floor area (thousands of square feet)	14,878,585	17,108,518	200,950	192,558	222,254	252,151	15.3	8.6	11.6	11.6
Residential: nonhousekeeping:										
Number of contracts	549,733	641,796	16,638	9,702	10,981	12,538	10.3	1.9	10.7	10.7
Valuation (thousands of dollars)	507	565	17	36	7	9	-39.0	-58.8	-4.4	-4.4
Floor area (thousands of square feet)	138,617	480,279	5,604	5,732	5,382	2,821	9.4	-2.0	44.8	44.8
Nonresidential:										
Number of contracts	8,467	10,563	135	137	134	84	-7.7	15.6	24.7	24.7
Valuation (thousands of dollars)	30,756	27,855	421	354	462	358	-2.5	9.7	12.0	12.0
Floor area (thousands of square feet)	9,334,415	10,816,709	90,374	143,340	112,878	153,823	27.6	35.2	15.0	15.0
Nonbuilding:										
Number of contracts	293,252	319,240	2,847	4,437	4,495	5,095	12.2	43.6	8.9	8.9
Valuation (thousands of dollars)	86,701	95,176	195	208	275	173	22.4	41.0	9.1	9.1
Streets and highways:										
Number of contracts	6,652,476	8,127,854	81,733	54,713	108,054	57,639	-1.1	31.4	22.2	22.2
Valuation (thousands of dollars)	4,968	4,690	50	45	82	16	9.3	36.7	17.8	17.8
Valuation (thousands of dollars)	2,304,581	1,931,341	17,685	24,879	26,446	24,279	3.0	54.8	16.3	16.3

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE.—Data for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for South Carolina are not available.

TABLE 7.—Retail Sales, United States and South Carolina Through Fourth Quarter, 1978

	United States			South Carolina			U.S.	State	U.S.	State
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III - 1978-III		1977-III - 1978-III	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	199,670	219,620	n.a.	n.a.	n.a.	n.a.	10.3	—	10.3	—
Durable goods	62,965	71,575	n.a.	n.a.	n.a.	n.a.	11.8	—	15.3	—
Nondurable goods	136,705	147,447	n.a.	n.a.	n.a.	n.a.	9.6	—	9.7	—

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

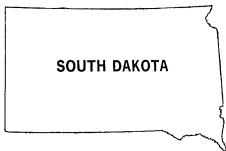
TABLE 8.—Business Incorporations and Failures, United States and South Carolina Through Fourth Quarter, 1978

	United States			South Carolina			U.S.	State	U.S.	State
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III - 1978-III		1977-III - 1978-III	
	Not seasonally adjusted						Percent change			
New business incorporations	169,411	n.a.	1,484	997	582	n.a.	8.2	-61.4	—	—
Total number of business failures	1,694	n.a.	9	0	2	n.a.	-9.5	-72.0	—	—
Current liabilities (thousands of dollars)	484,216	n.a.	2,281	0	23,024	n.a.	-44.2	905.4	—	—
Average liability per failure (thousands of dollars)	288	n.a.	295	0	11,517	n.a.	-38.4	—	—	—
Business failures by industry:										
Mining and manufacturing:										
Construction	248	n.a.	5	0	0	n.a.	-19.1	—	—	—
Wholesale trade	302	n.a.	0	0	1	n.a.	1.0	-80.0	—	—
Retail trade	151	n.a.	1	0	1	n.a.	-27.1	0	—	—
Commercial services	688	n.a.	3	0	0	n.a.	-4.2	—	—	—
Other	238	n.a.	0	0	0	n.a.	-24.0	—	—	—

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income

- Up 9.3% vs. 12.6% in U.S., to \$5.0 billion
- Farm personal income down 1.5% vs. 26.3% increase in U.S.
- Payrolls up 13.4% in trade vs. 14.1% in U.S. and 12.1% in services vs. 12.7% in U.S.

Employment

- Up 3.6% vs. 3.9% in U.S., to 314,000

Unemployment

- Up slightly, to 8,000
- Rate up slightly, to 2.6% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts up 52.4% vs. 16.8% in U.S., to \$247.2 million
- Valuation of street and highway contracts up almost tenfold vs. a 16.3% decline in U.S.
- Number of dwelling-unit starts down 17.3% vs. near stability in U.S., to 1,439

TABLE 1.—Summary of Economic Indicators, United States and South Dakota Through Fourth Quarter, 1978

	United States			South Dakota			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III - 1978:III	1977:IV - 1978:IV	1977:III - 1978:III	1977:IV - 1978:IV
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars).....	1,581,586	1,702,519	4,376	4,551	4,817	5,008	12.4	18.7	12.6	9.3
Total wages and salaries (millions of dollars).....	1,053,274	1,140,696	2,063	2,168	2,288	2,367	12.3	16.9	12.5	12.3
Civilian employment (thousands).....	92,442	96,800	325	362	339	314	4.1	1.7	3.9	3.6
Unemployment (thousands).....	6,349	5,695	9	8	16	8	-9.9	13.1	-1.8	8.2
Percent unemployed (unemployment/labor force).....	6.2	5.5	2.7	2.5	3.0	2.6	---	---	---	---
Total taxes (millions of dollars).....	418,582	n.a.	2,282	2,340	2,581	n.a.	16.3	14.5	---	---
Total deposits (millions of dollars).....	925,511	n.a.	3,100	3,443	3,600	n.a.	11.6	8.3	16.8	52.4
Total valuations of construction contracts (thousands of dollars).....	38,912,111	45,404,732	358,482	162,176	171,591	247,213	14.5	9.5	-8	-17.3
Dwelling units started (number).....	445,772	443,875	2,894	1,741	2,282	1,439	n.a.	19.3	---	---
Total retail sales (millions of dollars).....	197,809	219,626	n.a.	n.a.	n.a.	n.a.	8.2	-18.5	---	---
New business incorporations (number).....	108,411	n.a.	236	235	211	n.a.	-5.5	-25.8	---	---
Business failures (number).....	1,691	n.a.	8	11	6	n.a.	---	---	---	---
Consumer Price Index (1967 = 100):	185.3	201.8	---	---	---	---	7.9	---	8.9	---
U.S. city average.....	---	---	---	---	---	---	---	---	---	---

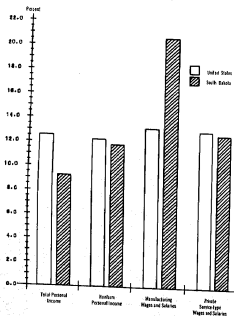
n.a.: Data not available.
Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 9.3 percent from 1977:IV to 1978:IV, 3.3 percentage points less than nationally (table 2). South Dakota's increase was one of the smallest in the Nation, exceeding increases in only Alaska and the District of Columbia. In 1978:IV, South Dakota's personal income totaled \$5.0 billion, up \$428 million since 1977:IV. The State's increase in total personal income would have been larger had it not been for a 1.5-percent decline in farm personal income, compared with a 26.3-percent national increase. The State's nonfarm personal income increased 11.9 percent from year to year, 0.4 percentage point less than nationally. In contrast, since the most recent national business cycle peak in 1973:IV, South Dakota's nonfarm economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 7 percent more than nationally, ranking South Dakota 26th among all States.

Chart 1—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)



From 1977:IV to 1978:IV, wage and salary disbursements (payrolls) increased 12.3 percent in the State versus 12.6 percent nationally. In 1978:IV, they totaled \$2.4 billion, up \$259 million since 1977:IV.

South Dakota's trade payrolls, which accounted for over one-fifth of the State's total payrolls in 1978:IV, increased 13.4 percent from year to year, 0.7 percentage point less than nationally. Similarly, services payrolls increased 12.1 percent in the State versus 12.7 percent nationally. In contrast, payrolls in transportation-communication-public utilities increased 11.5 percent versus 11.3 percent nationally, and payrolls in finance-insurance-real estate increased 14.2 percent versus 13.2 percent nationally.

Federal Government payrolls increased 5.7 percent in South Dakota, 1.4 percentage points less than nationally. State and local government payrolls increased 6.3 percent, 0.5 percentage point less than nationally. Construction payrolls increased 17.2 percent from year to year, versus 20.1 percent nationally.

Unlike most of South Dakota's industries, the State's manufacturing industry registered sharp payroll increases from year to year. Durable goods manufacturing payrolls increased 31.8 percent in the State, over twice as much as nationally. South Dakota's increase ranked second in the Nation, after Nevada's 35.3-percent increase. Nondurable goods manufacturing payrolls increased 12.2 percent versus 10.6 percent nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 29.2 percent in South Dakota and 30.3 percent throughout the Nation.

Chart 2—Consumer Price Index, Percent Change, 1977:IV—1978:IV

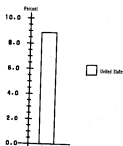


Chart 3.—Total Personal Income
(Seasonally adjusted)

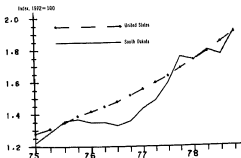


Chart 4.—Industrial Composition of Wages and Salaries: South Dakota
(Seasonally adjusted)

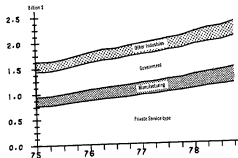


TABLE 2.—Personal Income, United States and South Dakota Through Fourth Quarter, 1978

	United States			South Dakota			U.S.	State	U.S.	State
	1977:IV			1977:IV			1977:IV— 1977:III	1977:IV— 1977:III	1977:IV— 1977:III	1977:IV— 1977:III
	Millions of dollars, seasonally adjusted at annual rates ¹			Millions of dollars, seasonally adjusted at annual rates ¹			Percent change ²			
Total personal income	1,583,068	1,782,579	4,170	4,591	4,617	5,019	12.4	10.7	12.6	9.1
Form personal income	31,224	38,451	949	886	987	623	47.9	8.8	26.2	-1.1
Nonform personal income	1,552,184	1,743,088	3,622	3,705	4,630	4,146	11.3	11.0	12.3	11.1
Total personal income	1,583,068	1,782,579	4,170	4,591	4,617	5,019	12.4	10.7	12.6	9.1
Wage and salary disbursements	1,013,216	1,140,696	2,063	2,168	2,288	2,367	12.1	10.9	12.6	12.1
Other labor income	95,016	111,719	177	181	207	254	17.0	16.7	16.4	12.1
Other labor income	105,393	125,965	801	1,145	886	3,124	21.5	10.8	18.9	2.2
Proprietors' income	23,636	31,944	501	545	545	468	46.6	8.7	31.3	15.1
Farm	82,337	94,951	280	389	343	355	12.8	14.4	12.8	11.1
Nonfarm	214,592	242,442	723	756	613	434	12.3	10.9	12.8	11.1
Dividends, interest, and rent	215,944	233,750	173	176	618	630	8.8	9.0	8.2	9.0
Transfer payments	11,128	7,753	12	13	8	9	-24.9	-30.1	-50.3	-25.1
State unemployment insurance benefits	82,212	71,610	175	176	201	286	14.4	15.1	15.1	15.1
Less: personal contributions	-401	-473	5	5	6	6	—	—	—	—
Plus: residence adjustment	1,013,216	1,140,696	2,063	2,168	2,288	2,367	12.1	10.9	12.6	12.1
Wage and salary disbursements	7,176	7,879	46	49	51	53	8.5	9.7	10.6	10.6
Farm	1,006,940	1,132,757	2,016	2,059	2,237	2,284	12.1	11.0	12.6	11.1
Nonfarm	14,948	16,813	35	36	45	47	16.5	28.8	33.3	21.1
Mining	55,646	66,858	136	147	169	172	15.1	22.4	20.1	14.1
Construction	276,112	312,910	250	251	305	303	12.1	14.0	13.3	13.3
Manufacturing	176,216	203,053	157	163	135	144	13.7	26.6	15.2	15.2
Merchandise goods	95,696	109,917	144	141	150	159	9.4	4.6	10.0	10.0
Nonmerchandise goods	455,764	583,244	1,021	1,044	1,146	1,178	12.8	12.3	13.3	13.3
Private service-type	76,584	85,264	166	171	186	191	13.6	11.3	14.1	14.1
Transportation, communication, and public utilities	170,888	195,035	455	458	506	506	11.9	14.1	16.5	16.5
Wholesale and retail trade	54,452	61,653	185	185	185	185	—	—	—	—
Finance, insurance, and real estate	153,640	172,796	293	301	318	318	—	—	—	—
Services	301,252	325,063	218	218	245	245	—	—	—	—
Government	64,176	73,852	318	331	339	339	—	—	—	—
Federal	133,876	142,080	318	331	339	339	—	—	—	—
State and local	3,216	3,625	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—	—	—

1. Detail may not add to totals because of rounding.

Labor Force

From 1977:IV to 1978:IV, South Dakota's civilian labor force increased 3.8 percent versus 3.1 percent nationally (table 4). Total employment increased 3.6 percent versus 3.9 percent nationally, to 314,000.

With the labor force increasing by about 12,000 and employment increasing by about 11,000, the number of unemployed increased somewhat, to over 8,000. South Dakota's unemployment rate increased fractionally, to 2.6 percent of the labor force; this was the lowest unemployment rate in the Nation, along with the 2.6-percent rate

registered in Kansas. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Preliminary data for December 1978 show unemployment rates of 3.0 percent for the State as a whole—the same as in December 1977—and 2.2 percent for Sioux Falls, South Dakota's major metropolitan area. The Sioux Falls rate represented a decline of 0.4 percentage point from the December 1977 level.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: South Dakota

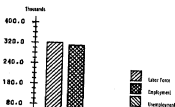


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

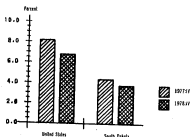


TABLE 4.—Labor Force, United States and South Dakota Through Fourth Quarter, 1978

	United States			South Dakota			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III–1978:III		1977:IV–1978:IV	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,218	87,768	233	231	236	235	4.3	1.2	4.2	1.7
Mining	787	899	3	3	3	3	8.2	—3.7	14.2	—3.7
Construction	4,032	4,488	15	13	15	13	10.4	6	11.3	—1.5
Manufacturing	15,356	20,722	24	24	25	25	3.1	2.5	3.7	2.9
Transportation, communication, and public utilities	4,751	4,971	13	13	12	14	2.8	6.4	4.4	3.1
Retail trade	13,152	20,015	65	63	65	64	5.3	0	4.5	2
Finance, insurance, and real estate	4,852	4,754	15	10	11	11	4.6	7.7	—2.0	6.8
Services	15,539	16,715	48	47	50	49	4.6	3.5	4.4	3.0
Government	15,434	15,856	55	57	54	57	2.1	—2.6	1.4	.9
Civilian labor force ³	98,521	101,815	334	311	346	323	3.2	2.8	3.1	3.8
Total employed	92,445	96,319	325	302	338	314	4.1	1.7	3.5	3.6
Percent unemployed	6.2	5.5	2.7	2.5	3.0	2.6	—	—	—	—

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: BLS, Bureau of Economic Analysis.

Chart 7.—Civilian Labor Force

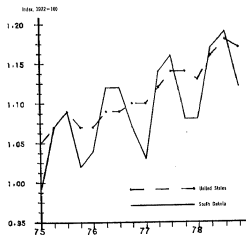


Chart 8.—Civilian Employment

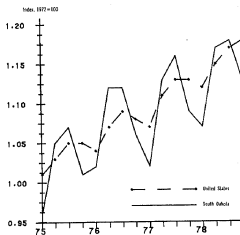


Chart 9.—Unemployment Rate

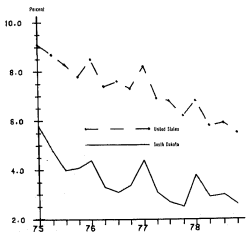
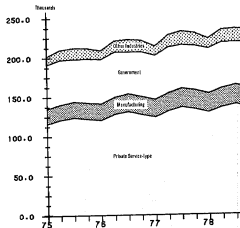


Chart 10.—Industrial Composition of Nonagricultural Employment: South Dakota



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5—Commercial Banking Indicators, United States and South Dakota Through Fourth Quarter, 1978

	United States			South Dakota			U.S.	State	U.S.	State
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III-1978-III		1977-IV-1978-IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	640,502	n.a.	2,252	2,340	2,580	n.a.	15.3	14.5	---	---
Commercial and industrial	198,317	n.a.	468	487	541	n.a.	14.2	15.6	---	---
Loans to individuals	140,599	n.a.	434	447	518	n.a.	29.2	19.4	---	---
Real estate	172,595	n.a.	356	398	635	n.a.	15.9	14.2	---	---
Personal	161,236	n.a.	371	386	413	n.a.	21.3	11.5	---	---
Other	2,730	n.a.	142	148	40	n.a.	10.7	13.3	---	---
Farmland, excluding real estate	68,960	n.a.	775	793	857	n.a.	19.0	21.7	---	---
Other	25,334	n.a.	29	35	39	n.a.	8.8	10.6	---	---
Total deposits	60,947	n.a.	29	35	39	n.a.	8.0	25.8	---	---
Demand	915,511	n.a.	3,210	2,443	3,690	n.a.	12.5	8.8	---	---
Time and savings	373,483	n.a.	914	1,203	1,085	n.a.	16.2	11.1	---	---
	547,828	n.a.	2,296	2,434	2,585	n.a.	12.3	7.9	---	---

1. Detail may not add to total because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 52.4 percent (\$85.0 million), to \$247.2 million (table 6). The State's percent increase was the second largest in the Nation, after Hawaii's 58.4-percent increase. The national increase was 16.8 percent. A \$115 million contract in 1978:IV for the construction of roadways in Lyman County raised the State's total valuation of contracts to an unusually high level, thereby distorting the increase since 1977:IV. If the Lyman County contract is excluded, the total valuation of contracts would have declined 18.5 percent from year to year.

Due to the Lyman County contract, the valuation of street and highway contracts increased almost tenfold versus a 16.3-percent national decline. South Dakota's increase was the largest in the Nation. The valuation of all nonbuilding contracts increased 226.4 percent, compared with a 22.2-percent national increase. Without the Lyman County contract, the valuation of nonbuilding contracts in the State would have declined 48 percent.

All other major categories of construction in the State were weak. Residential housekeeping contracts increased only 4.7 percent in valuation versus 15.6 percent nationally. The number of dwelling units started declined 17.3 percent (302 units), to 1,439 units; nationally, the number of dwelling units started was almost unchanged at a high level. Contracts for residential housekeeping additions and alterations declined 0.8 percent in valuation in the State and increased 14.6 percent nationally. The percent changes in all three of South Dakota's residential housekeeping indicators were among the weakest in the Nation.

Nonresidential contracts declined 35.3 percent in valuation, compared with a national increase of 15.8 percent. Only three States—Mississippi, Montana, and Nebraska—and the District of Columbia registered declines that were larger than South Dakota's.

Chart 14.—Construction Contracts—Total Valuation

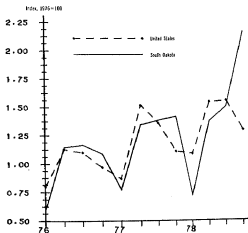


Chart 15.—Construction Contracts—Valuation of Contracts by Type: South Dakota

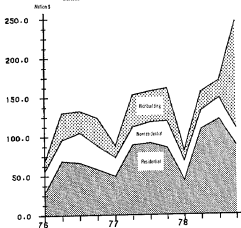


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

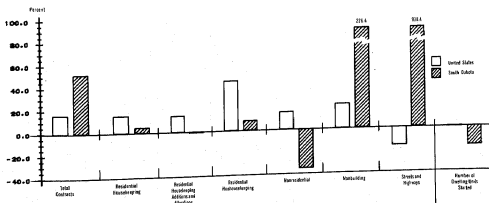


TABLE 6.—Construction Contracts, United States and South Dakota Through Fourth Quarter, 1978¹

	United States						South Dakota			U.S.		State		U.S.		State		
										1977 III		1978 III		1977 III		1978 III		
	1977 IV	1978 IV	1977 III	1977 IV	1978 III	1978 IV												
Not seasonally adjusted													Percent change ¹					
Total value of contracts	38,813,131	45,458,713	158,482	162,170	171,991	247,213	14.5	6.3	16.8	16.8	16	16	16	16	16	16	16	
Construction of new buildings and structures	3,707,367	8,832,353	29,768	29,361	36,023	29,733	16.8	29.6	14.6	14.6	16	16	16	16	16	16	16	
Nonbuilding construction																		
Highways, streets, bridges	42,785	56,926	473	505	518	442	4.4	9.5	9.1	9.1	20	20	20	20	20	20	20	
Mass transit facilities	31,295,124	36,621,429	128,722	132,209	135,608	217,486	14.0	5.3	17.4	17.4	31	31	31	31	31	31	31	
Air, rail, and water transportation	881,453	971,585	3,440	3,321	3,958	2,922	10.8	19.2	10.2	10.2	37	37	37	37	37	37	37	
Manufacturing	14,825	14,392	250	243	226	223	-5.1	-9.6	4.3	4.3	1	1	1	1	1	1	1	
Electric, gas, and communication	445,772	443,335	2,084	1,741	2,282	1,439	3.0	9.5	6	6	11	11	11	11	11	11	11	
Other nonbuilding construction	14,819,595	17,188,538	66,834	59,001	81,701	55,476	15.3	34.3	15.6	15.6	41	41	41	41	41	41	41	
Construction of new buildings and structures	575,733	641,736	2,327	2,151	3,619	1,994	10.3	10.5	10.7	10.7	23	23	23	23	23	23	23	
Nonbuilding construction	567	565	6	8	6	6	-10.0	0	6	6	210	210	210	210	210	210	210	
Construction of new buildings and structures	338,537	459,279	1,330	2,855	4,351	3,105	9.4	212.8	44.8	44.8	81	81	81	81	81	81	81	
Nonbuilding construction	8,657	10,546	41	111	145	132	-7	253.1	24.7	24.7	11	11	11	11	11	11	11	
Construction of new buildings and structures	30,756	27,055	86	117	120	111	-12.5	48.2	17.0	17.0	11	11	11	11	11	11	11	
Nonbuilding construction	9,334,415	10,890,340	27,031	34,523	27,415	22,245	27.6	1.4	15.6	15.6	203	203	203	203	203	203	203	
Construction of new buildings and structures	293,252	315,240	879	1,659	815	816	17.2	-8.4	6.9	6.9	271	271	271	271	271	271	271	
Nonbuilding construction	16,761	15,176	122	187	368	102	22.4	25.8	9.1	9.1	415	415	415	415	415	415	415	
Construction of new buildings and structures	6,852,476	8,127,854	39,453	41,830	22,101	130,563	11.1	-44.0	22.2	22.2	2584	2584	2584	2584	2584	2584	2584	
Nonbuilding construction	4,585	4,055	52	37	55	16	9.3	5.8	17.8	17.8	21	21	21	21	21	21	21	
Construction of new buildings and structures	2,338,681	1,391,241	22,212	12,254	7,883	127,247	3.0	-54.7	16.1	16.1	9984	9984	9984	9984	9984	9984	9984	

¹ Current figures are reported to date within 60 days.
² Percent change for four are based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Services Company.
 NOTE.—Data for four area data may not add to totals because of rounding.

Retail Sales

Retail sales data for South Dakota are not available.

TABLE 7.—Retail Sales, United States and South Dakota Through Fourth Quarter, 1978

Retail Sales and Services in South Dakota through Fourth Quarter, 1978												
	United States			South Dakota			U.S.		State		U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III - 1978:III		1977:IV - 1978:IV			
	Millions of dollars, not seasonally adjusted						Percent change					
Retail sales	197,690	229,020	n.a.	n.a.	n.a.	n.a.	10.3	-----	11.2	-----	-----	-----
Durable goods	62,065	71,573	n.a.	n.a.	n.a.	n.a.	11.8	-----	15.1	-----	-----	-----
Non-durable goods	134,965	147,447	n.a.	n.a.	n.a.	n.a.	9.6	-----	9.2	-----	-----	-----
* n.a. Data not available												
Source: U.S. Department of Commerce												

Source: U.S. Department of Commerce, Bureau of Census.

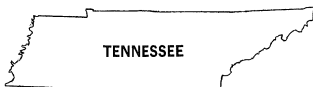
TABLE 8.—Business Incorporations and Failures, United States and South Dakota Through Fourth Quarter, 1978

United States and South Dakota Through Fourth Quarter, 1978											
	United States			South Dakota			U.S.		State		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III-- 1978:III		1977:IV 1978:IV		
	Not seasonally adjusted						Percent change				
New business incorporations	199,411	n.a.	236	231	211	n.a.	8.2	-16.4			
Total number of business failures	1,684	n.a.	6	31	6	n.a.	-9.5	-25.0			
Current liabilities (thousands of dollars)	484,295	n.a.	454	1,786	550	n.a.	-44.2	43.2			
Average liability per failure (thousands of dollars)	288	n.a.	57	162	169	n.a.	-36.4	89.5			
Business failures by industry											
Mining and manufacturing	248	n.a.	1	6	3	n.a.	-10.1	0			
Construction	215	n.a.	0	3	0	n.a.	1.0				
Wholesale trade	191	n.a.	2	0	0	n.a.	-27.1				
Retail trade	688	n.a.	5	5	3	n.a.	-4.2	-40.0			
Commercial services	238	n.a.	0	3	2	n.a.	-26.0				

n.a. Data not available
Source: Dun & Bradstreet, Inc.
NOTE: This table may not be comparable with other sources.

n.a. Data not available.
 Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income	—Up 13.6% vs. 12.6% in U.S., to \$29.6 billion —Farm personal income up 133.5% vs. 26.3% in U.S. —Payrolls up 12.2% in durables manufacturing vs. 15.2% in U.S. and 13.3% in trade vs. 14.1% in U.S.
Employment	—Up 2.6% vs. 3.9% in U.S., to 1.9 million
Unemployment	—Up 12,000, to 117,000 —Rate up to 5.9% of labor force vs. 5.5% U.S. rate
Construction	—Total valuation of contracts up 8.3% vs. 16.8% in U.S., to \$823.6 million —Valuation of nonbuilding contracts down 15.1% vs. 22.2% increase in U.S. —Number of dwelling-unit starts down 3.3% vs. near stability in U.S., to 10,338
Retail sales	—Up 8.1% vs. 11.2% in U.S., to \$4.1 billion

TABLE 1.—Summary of Economic Indicators, United States and Tennessee Through Fourth Quarter, 1978

	United States			Tennessee			U.S.	State	U.S.	State
	1977:IV	1978:IV	1972:III	1972:IV	1978:III	1978:IV	1977:III— 1978:II	1977:III— 1978:II	1977:IV— 1978:IV	1977:IV— 1978:IV
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars).....	1,583,568	1,762,819	25,787	26,895	28,664	29,641	12.8	13.8	12.6	13.6
Total wages and salaries (millions of dollars).....	1,113,216	1,140,636	16,463	17,528	19,054	19,667	12.1	13.0	12.8	12.3
Civilian employment (thousands).....	92,842	95,810	1,817	1,822	1,830	1,889	4.1	.7	3.9	2.6
Unemployment (thousands).....	4,349	5,895	117	395	117	117	-3.8	-4	-6.8	11.1
Percent unemployed (unemployment/labor force).....	4.7	5.5	6.1	5.4	6.4	5.9	—	—	—	—
Total income (millions of dollars).....	400,587	n.a.	18,132	16,416	11,617	n.a.	16.2	14.1	—	—
Total loans (millions of dollars).....	925,531	n.a.	14,335	15,840	16,532	n.a.	14.5	16.7	—	—
Total deposits (millions of dollars).....	445,772	443,675	11,579	30,696	32,145	36,338	1.9	4.9	-4	-1
Total valuation of construction contracts (thousands of dollars).....	18,913,171	45,495,773	1,153,396	785,397	987,984	823,624	14.5	-14.2	16.8	8.1
Dwelling units started (number).....	187,838	231,620	n.a.	3,825	3,834	4,124	98.3	n.a.	8.2	5.6
Total retail sales (millions of dollars).....	129,411	n.a.	1,523	1,567	1,663	n.a.	-5.5	43.5	—	—
New business incorporations (number).....	1,684	n.a.	27	40	33	n.a.	—	—	—	—
Business failures (number).....	185.2	201.8	—	—	—	—	—	—	—	—
Consumer Price Index (1967=100):	185.2	201.8	—	—	—	—	—	—	—	—
U.S. city average.....	185.2	201.8	—	—	—	—	—	—	—	—

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 13.6 percent from 1977:IV to 1978:IV versus 12.6 percent nationally (table 2). In 1978:IV, the State's personal income totaled \$29.6 billion, up \$3.5 billion since 1977:IV.

Tennessee's increase in personal income would have been smaller had it not been for a 133.5-percent increase in farm personal income, one of the largest increases in the Nation. Nationally, farm income increased 26.3 percent. The State's nonfarm personal income increased 12.2 percent from year to year, slightly less than nationally. Since the most recent national business cycle peak in 1973:IV, Tennessee's economy has grown somewhat more rapidly than the Nation's; the increase in the State's nonfarm income was 2 percent more than nationally, ranking Tennessee 29th among all States.

From 1977:IV to 1978:IV, wage and salary disbursements (payrolls) increased 12.3 percent in the State versus 12.6 percent nationally. In 1978:IV, they totaled \$29.6 billion, up \$3.5 billion since 1977:IV.

Trade payrolls increased 13.3 percent from year to year, compared with a 14.1-percent national increase. Payrolls in finance-insurance-real estate increased 10.0 percent, 3.2 percentage points less than nationally; Tennessee's increase was one of the smallest in the Nation. In contrast, payrolls in transportation-communication-public utilities increased 13.3 percent in the State versus 11.3 percent nationally, and services payrolls increased 13.4 percent versus 12.7 percent nationally.

Durable goods manufacturing payrolls increased 12.2 percent from year to year, one of the smallest increases in the Nation and 3.0 percentage points less than nationally. Nondurable goods manufacturing payrolls increased 10.4 percent in Tennessee versus 10.0 percent in the Nation.

Federal Government payrolls registered one of the largest increases among all States, 13.1 percent; this was exceeded by increases in only Idaho and Maine. Nationally, Federal Government payrolls increased 7.1 percent. State and local government payrolls increased 7.0 percent in the State and 6.8 percent nationally. Construction payrolls increased 24.9 percent from year to year, outpacing the national increase by 4.8 percentage points.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 24.8 percent in Tennessee versus a national decline of 30.3 percent.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
(Seasonally adjusted)

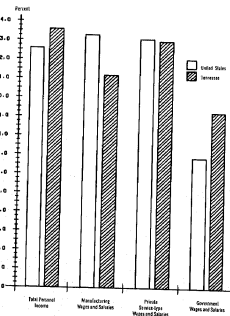


Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

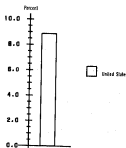


Chart 3.—Total Personal Income
[Seasonally adjusted]

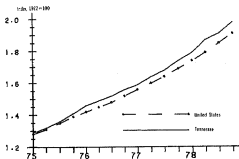


Chart 4.—Industrial Composition of Wages and Salaries: Tennessee
[Seasonally adjusted]

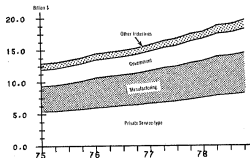


TABLE 2.—Personal Income, United States and Tennessee Through Fourth Quarter, 1978¹

	United States			Tennessee			U.S. State		U.S. State		
							1977:III—		1977:IV—		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1978:III	1978:IV	1977:IV—	1978:IV	State
	Billions of dollars, seasonally adjusted at annual rates ²						Percent change ³				
Total personal income	1,583,508	1,747,519	25,157	26,095	28,594	29,641	12.4	13.8	12.6	13.4	
Personal income	31,224	39,451	263	303	617	707	47.9	134.6	26.3	133.5	
Nonfarm personal income	1,552,284	1,741,058	24,504	25,792	28,046	28,934	11.5	12.5	12.3	12.2	
Total personal income	1,583,508	1,747,519	25,157	26,095	28,594	29,641	12.4	13.8	12.6	13.4	
Wage and salary disbursements	1,013,216	1,149,696	16,863	17,528	19,654	19,687	12.1	13.0	12.6	12.3	
Other labor income	96,016	111,715	1,699	1,886	1,946	1,946	17.0	17.2	16.4	15.1	
Proprietor's income	105,953	125,095	1,791	1,854	2,355	2,358	21.5	21.5	18.5	26.0	
Farm	23,636	31,044	176	213	524	610	66.6	157.4	21.3	187.2	
Nonfarm	82,317	94,051	1,615	1,638	1,831	1,747	12.3	13.4	15.3	17.0	
Dividends, interest, and rent	214,552	262,442	2,635	2,626	2,938	3,017	12.3	11.5	12.8	11.8	
Transfer payments	233,730	263,850	3,757	4,037	4,186	4,186	8.8	5.7	8.2	9.4	
State unemployment insurance benefits	11,128	7,753	145	151	116	114	-24.0	-15.6	-30.3	-24.8	
Less: personal contributions	62,212	70,619	1,108	1,138	1,274	1,288	14.8	14.3	15.1	14.1	
Plus: residence adjustment	-491	-473	-274	-288	-334	-343					
Wage and salary disbursements	1,013,216	1,149,696	16,863	17,528	19,654	19,687	12.1	13.0	12.6	12.3	
Farm	7,176	7,939	85	84	91	94	8.5	12.2	18.4	7.1	
Nonfarm	1,006,040	1,139,757	16,778	17,444	19,563	19,593	12.1	13.0	12.6	12.3	
Mining	14,448	16,813	131	131	159	159	28.5	28.3	33.9	21.2	
Construction	55,648	66,950	868	871	1,005	1,007	19.1	19.0	26.1	24.5	
Manufacturing	276,112	312,700	5,438	5,679	6,119	6,267	12.3	11.5	13.3	11.7	
Durable goods	176,216	203,053	2,959	2,952	2,751	2,807	13.7	11.9	15.2	12.2	
Non-durable goods	99,896	109,647	3,027	3,098	3,367	3,460	9.4	11.2	10.9	30.4	
Private service-type	455,764	515,348	7,036	7,395	8,478	8,252	12.8	14.1	13.1	12.9	
Transportation, communication, and public utilities	76,584	85,284	1,143	1,153	1,343	1,318	10.4	12.3	11.2	13.0	
Wholesale and retail trade	170,889	195,036	2,569	2,644	3,121	3,449	13.4	12.6	14.1	13.0	
Finance, insurance, and real estate	54,452	61,653	754	793	857	872	18.1	17.4	17.4	12.7	
Services	103,440	125,564	2,174	2,265	2,557	2,613	12.9	13.4	11.1	6.9	
Government	201,252	215,083	1,225	1,301	1,410	1,448	7.4	18.3	7.1	13.1	
Federal	133,676	142,880	2,031	2,141	2,174	2,252	7.5	6.9	6.8	7.8	
State and local	67,576	72,203	194	160	236	196	18.7	17.6	14.5	14.9	
Other	3,216	3,685	30	33	38	38					

1. Detail may not add in totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Tennessee Through Fourth Quarter, 1978¹

	United States			Tennessee			U.S. State		U.S. State		
							1977:III—		1977:IV—		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1978:III	1978:IV	1977:IV—	1978:IV	State
	Index, 1967=100, not seasonally adjusted						Percent change				
U.S. city average ²	125.3	201.4	---	---	---	---	7.9	---	8.1	---	---

1. Consumer Price Indexes are shown for the most relevant SMSAs for which data are available.
2. Average for 45 representative white areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and revised data are used for subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Tennessee's civilian labor force increased 3.0 percent versus 3.1 percent nationally (table 4). Total employment increased 2.6 percent versus 3.9 percent nationally, to 1.9 million.

With the labor force increasing by 59,000 and employment increasing by 47,000, the number of unemployed increased by 12,000, to 117,000. Tennessee's unemployment rate increased 0.5 percentage point, to 5.9 percent of the State's labor force. Tennessee was one of only 10 States to register an increase in the unemployment rate. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

According to preliminary data for December 1978, when the State's unemployment rate was 6.0 percent, unemployment rates among Tennessee's major metropolitan areas ranged from 5.8 percent in Knoxville to 4.1 percent in Nashville-Davidson. From December 1977 to December 1978, increases in the unemployment rate ranged from 1.3 percentage points in Knoxville to 0.1 percentage point in Memphis (to 5.6 percent), compared with an increase of 0.5 percentage point statewide.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV
Tennessee

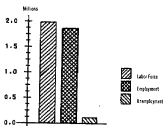


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

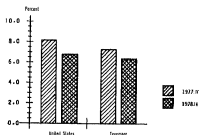


TABLE 4.—Labor Force, United States and Tennessee Through Fourth Quarter, 1978

	United States						Tennessee		U.S.		State		U.S.		State	
	1977:IV		1978:IV		1977:II-1978:II	1977:IV		1978:II	1977:IV		1978:II	1977:IV-1978:II		1977:IV-1978:II		
	Thousands of persons, not seasonally adjusted ¹		Percent change ²			Thousands of persons, not seasonally adjusted ¹			Percent change ²			Thousands of persons, not seasonally adjusted ¹		Percent change ²		
Employees on nonagricultural payrolls																
Mining	84,210	87,708	1,636	1,679	1,692	1,715	4.3	3.3	4.2	21						
Construction	787	869	9	9	9	6	9.2	-6.4	14.2	-14						
Manufacturing	4,032	4,488	81	80	80	58	10.4	11.1	11.3	114						
Transportation, communication, and public utilities	15,586	24,722	510	522	525	521	3.1	2.9	3.7	-2						
Wholesale and retail trade	4,761	4,971	78	79	82	82	3.8	4.3	4.4	19						
Finance, insurance, and real estate	15,152	20,915	362	362	365	376	5.3	3.5	4.5	11						
Service	4,852	4,796	31	70	72	71	4.8	1.4	-2.9	11						
Government	15,539	16,215	293	256	256	336	4.6	1.2	4.4	8						
	15,434	16,656	282	361	293	339	2.1	3.9	1.8	74						
Civilian labor force³																
	58,591	101,615	1,935	1,927	1,947	1,866	3.2	.6	3.1	10						
Total employed	32,442	56,618	1,817	1,822	1,820	1,869	4.1	.7	3.9	28						
Total unemployed	6,149	5,865	117	105	107	117	-8.8	-4	-8.8	112						
Percent unemployed	6.2	5.5	6.1	5.4	5.0	5.4										

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

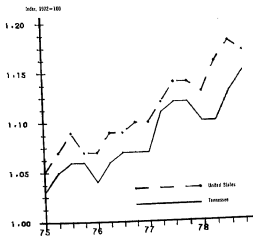


Chart 8.—Civilian Employment

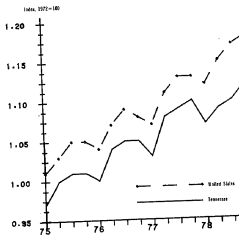


Chart 9.—Unemployment Rate

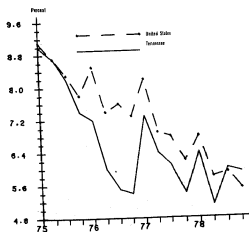
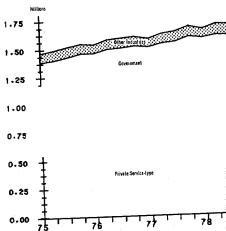


Chart 10.—Industrial Composition of Nonagricultural Employment: Tennessee



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Tennessee Through Fourth Quarter, 1978

	United States			Tennessee			U.S.	State	U.S.
	1972:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1972:III— 1978:III	1978:III	1978: (%)
	Millions of dollars, not seasonally adjusted ¹						Percent change ²		
Total loans	610,502	n.a.	10,112	10,418	13,537	n.a.	16.3	14.1	---
Commercial and industrial	190,317	n.a.	2,947	2,690	2,907	n.a.	14.2	14.1	---
Loans to individuals	140,599	n.a.	3,481	3,678	3,308	n.a.	20.2	14.9	---
Real estate	177,995	n.a.	3,185	3,285	3,721	n.a.	19.9	15.8	---
Residential	161,236	n.a.	1,448	1,686	1,715	n.a.	21.3	18.5	---
Farm	7,731	n.a.	339	334	359	n.a.	10.7	5.0	---
Other	68,968	n.a.	1,398	1,471	1,846	n.a.	19.0	17.7	---
Assets, excluding real estate	25,794	n.a.	319	296	334	n.a.	8.8	4.8	---
Other	68,947	n.a.	689	665	628	n.a.	8.0	1.3	---
Total deposits	928,511	n.a.	14,925	15,840	16,532	n.a.	11.5	10.7	---
Demand	327,683	n.a.	5,074	5,626	5,562	n.a.	10.2	9.6	---
Time and savings	547,828	n.a.	9,851	10,213	10,970	n.a.	12.3	11.3	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

April 1979

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 8.3 percent (\$63.2 million), to \$823.6 million (table 6). The national increase was twice that of Tennessee. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the total valuation of contracts in Tennessee sustained a real decline of about 5 percent versus a real increase in the Nation of about 4 percent.

Nonbuilding contracts declined 15.1 percent in valuation, compared with a 22.2-percent national increase. The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 35.4 percent versus a 16.3-percent decline nationally.

Nonresidential contracts declined 2.8 percent in valuation, compared with a 15.8-percent national increase.

In contrast, the valuation of residential housekeeping contracts increased 14.5 percent versus 15.6 percent nationally. The number of dwelling units started declined 3.3 percent (358 units), to 10,338 units; nationally, the number of dwelling units started was almost unchanged at a high level. Contracts for residential housekeeping additions and alterations increased 27.3 percent in valuation versus 14.6 percent nationally.

Chart 14.—Construction Contracts—Total Valuation

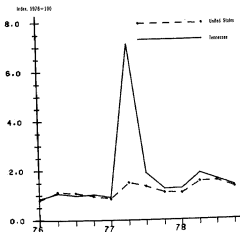


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Tennessee

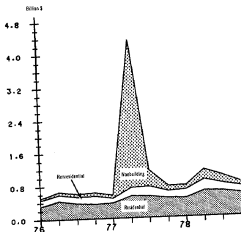


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

TABLE 6.—Construction Contracts, United States and Tennessee Through Fourth Quarter, 1978

Construction Starts and Tennessee Through Fourth Quarter, 1978 ¹										
	United States			Tennessee			U.S.	State	95	96
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III- 1978:III	1977:IV- 1978:III	1977:IV- 1978:IV	1978:IV
	Not seasonally adjusted						Percent change ²			
Total value of contracts	38,963,311	45,458,773	1,153,956	706,897	969,584	838,624	14.5	-14.2	16.8	8
Residential housing, additions and alterations; Value in thousands of dollars	7,769,587	8,632,253	152,425	134,149	182,935	176,750	35.8	39.0	16.6	7
All other contracts										
Number of contracts	52,700	58,928	1,484	1,495	1,512	1,171	4.4	2.3	-9.1	-21
Value in thousands of dollars	31,205,154	36,577,423	1,061,531	626,248	897,049	652,874	14.0	-13.4	11.4	4
Floor area (thousands of square feet)	881,450	971,596	23,515	19,764	25,650	22,884	10.8	9.1	16.2	13
Residential housing, additions and alterations; Value in thousands of dollars	14,875,556	17,198,568	348,477	325,476	425,511	393,537	15.3	22.1	15.6	14
Floor area (thousands of square feet)	579,733	641,796	15,750	14,938	18,530	16,174	16.3	17.7	13.7	11
Nonresidential:										
Number of contracts	537	595	15	13	8	11	-10.0	-46.7	-4	-19
Value in thousands of dollars	336,637	400,278	15,117	2,831	2,254	5,195	9.4	-35.0	44.0	183
Floor area (thousands of square feet)	8,467	10,569	365	82	39	117	-7	-69.4	24.7	50
Nonresidential:										
Value in thousands of dollars	20,756	23,655	605	667	569	495	-2.5	-11.4	-17.0	-29
Floor area (thousands of square feet)	5,124,415	5,810,769	241,898	172,585	183,817	167,855	27.6	-21.9	15.8	-28
Nonresidential:										
Value in thousands of dollars	293,293	319,248	7,401	5,685	7,682	5,792	12.2	-4.3	8.9	19
Number of contracts	16,701	15,176	414	359	584	314	22.4	75.2	-9.1	-10.1
Value in thousands of dollars	5,632,476	6,127,854	396,239	125,775	195,457	166,776	-1	-50.7	22.3	-22
Streets and highways:										
Number of contracts	4,985	4,099	149	90	214	92	5.3	43.6	-12.8	17
Value in thousands of dollars	2,906,681	3,931,341	63,189	62,890	59,890	60,631	3.9	-5.2	-16.3	-31

1. Contracts started or expected to start within 60 days.
2. Percent change for floor area based on rounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Data for floor area data may not add by totals because of rounding.

Retail Sales

Retail sales in Tennessee totaled \$4.1 billion in 1978:IV, up 8.1 percent (\$309 million) since 1977:IV, compared with an 11.2-percent national increase (table 7). In 1978:IV, nondurable goods accounted for \$295.5 million, and durable goods accounted for \$1.2 billion.

TABLE 7.—Retail Sales, United States and Tennessee Through Fourth Quarter, 1978

Retail Sales in Tennessee through Fourth Quarter, 1978										
	United States			Tennessee			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III- 1978:III		1977:IV- 1978:IV	
	Billions of dollars, not seasonally adjusted						Percent change			
Retail sales	197,830	218,039	n.a.	3,815	3,814	4,124	10.3	---	18.2	8
Durable goods	62,055	71,573	n.a.	n.a.	1,238	1,214	13.8	---	15.3	---
Nondurable goods	134,955	147,447	n.a.	n.a.	2,584	2,910	9.6	---	9.2	---

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Tennessee Through Fourth Quarter, 1978

Business incorporations and failures, United States and Tennessee Through Fourth Quarter, 1978										
	United States				Tennessee		U.S.	State	U.S.	Tenn.
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III- 1978:III	1977:IV- 1978:III	1977:IV- 1978:IV	
	Not seasonally adjusted						Percent change			
New business incorporations	399,413	n.a.	1,523	1,567	1,869	n.a.	6.2	5.8	---	---
Total number of business failures	1,684	n.a.	27	40	33	n.a.	-9.5	48.8	---	---
Current debt (thousands of dollars)	484,296	n.a.	2,957	48,913	5,811	n.a.	-44.2	182.5	---	---
Average liability per failure (thousands of dollars)	288	n.a.	89	1,223	176	n.a.	-38.4	97.8	---	---
Business failures by industry										
Mining and manufacturing	240	n.a.	1	5	6	n.a.	-10.1	596.0	---	---
Construction	317	n.a.	7	14	5	n.a.	1.0	-28.8	---	---
Wholesale trade	191	n.a.	4	2	1	n.a.	-27.3	-75.0	---	---
Retail trade	688	n.a.	6	13	18	n.a.	-4.2	125.0	---	---
Commerce and services	738	n.a.	3	6	3	n.a.	-24.0	8	---	---

n.a.: Data not available.
Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income	—Up 14.5% vs. 12.6% in U.S., to \$106 billion —Mining payrolls up 39.8% vs. 33.9% in U.S. —Private service-type payrolls up 16.0% vs. 13.1% in U.S.
Consumer prices	—Up 9.2% in Dallas and 12.1% in Houston vs. 8.9% in U.S.
Employment	—Up 4.1% vs. 3.9% in U.S., to 5.8 million
Unemployment	—Down 11,000, to 279,000 —Rate down 0.3 percentage point, to 4.6% of labor force vs. 5.5% in U.S.
Construction	—Total valuation of contracts up 27.6% vs. 16.8% in U.S., to \$3.7 billion —Valuation of nonbuilding contracts doubled vs. 22.2% gain in U.S., due to electric generating plant contract in Lamb County —Number of dwelling-unit starts down 25.6% vs. near stability in U.S., to 33,762
Retail sales	—Up 12.4% vs. 11.2% in U.S., to \$14.0 billion

TABLE 1.—Summary of Economic Indicators, United States and Texas Through Fourth Quarter, 1978

	United States			Texas			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:IV— 1978:III	1978:IV	1977:IV— 1978:III
	All indicators, except income, not seasonally adjusted						Percent change		
Total personal income (millions of dollars).....	1,583,908	1,782,619	88,581	82,152	101,935	195,549	12.4	15.1	12.8
Total wages and salaries (millions of dollars).....	1,033,218	1,140,696	58,677	56,245	66,198	68,721	12.1	16.2	12.8
Civilian employment (thousands).....	52,442	56,910	5,503	5,590	5,724	5,833	4.1	4.0	3.9
Unemployment (thousands).....	6,149	5,885	317	290	303	276	-9.8	-4.7	-6.8
Percent unemployed (unemployment/labor force).....	6.2	5.5	5.5	4.9	5.0	4.8	—	—	—
Total loans (millions of dollars).....	610,602	n.a.	34,971	36,105	42,849	n.a.	16.3	23.4	—
Total deposits (millions of dollars).....	525,511	n.a.	55,328	60,275	62,656	n.a.	11.5	15.1	—
Total valuation of construction contracts (thousands of dollars).....	38,913,111	45,450,775	3,919,870	2,803,864	4,420,778	3,706,668	14.5	12.8	16.1
Dwelling units started (number).....	443,772	443,075	45,571	45,294	45,561	33,762	1.0	-8.1	-1.8
Total retail sales (millions of dollars).....	167,030	218,808	11,576	12,426	13,289	13,971	10.3	14.8	13.7
New business incorporations (number).....	106,811	n.a.	6,225	6,809	8,193	n.a.	8.2	31.6	—
Business failures (number).....	1,684	n.a.	79	101	147	n.a.	-8.5	68.1	—
Consumer Price Index (1967=100):									
U.S. city average.....	185.3	201.8	—	—	—	—	7.9	—	8.9
Dallas.....	—	—	182.4	183.8	187.3	200.7	—	8.2	—
Houston.....	—	—	181.6	182.7	211.0	216.2	—	10.1	—

n.a.: Data not available.

Source: See tables 2 through 8.

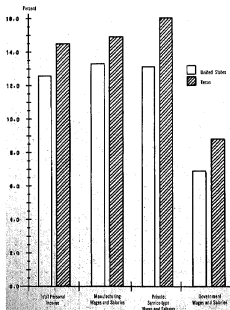
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Texas increased 14.5 percent from 1977:IV to 1978:IV, outpacing the Nation's gain by almost 2 percentage points (table 2). In 1978:IV, Texas' personal income totaled \$106 billion, up \$13.4 billion from the 1977:IV level. During the same timespan, consumer prices increased 9.2 percent in Dallas and 12.1 percent in Houston, both more than the U.S. city average increase of 8.9 percent (table 3). If the average of the two metropolitan area price increases is used as an indicator for price increases in the State, real total personal income increased about 3.9 percent in Texas versus 3.7 percent nationally.

Since the last national business cycle peak in 1973:IV, Texas' economy has grown at one of the fastest rates in the Nation; the increase in the State's nonfarm income was 37 percent more than nationally, ranking Texas fifth among all States.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
(Seasonally adjusted)



Reflecting strong increases in all but one major industry, wage and salary disbursements (payrolls) from 1977:IV to 1978:IV increased 11 percent versus 12.6 percent nationally. Trade payrolls increased 11 percent, leading the Nation's average increase of 14.1 percent, to \$11 billion. Services payrolls increased 15.8 percent, one of the largest increases in the Nation and over 3 percentage points more than the national average increase. Transportation-communication-utilities payrolls increased 13.8 percent, compared with 11.3 percent nationally. Mining payrolls increased 39.8 percent, the largest gain among all major industries in the State from year to year. The gain in the Nation's gain of 33.9 percent. Construction payrolls increased 11 percent, 3 percentage points above the national increase. 8: manufacturing components registered large payroll increases: durable payrolls were up 17.5 percent, and nondurable payrolls were up 11 percent. State and local government payrolls increased 11.6 percent, an increase that was exceeded in only six States.

Federal Government payrolls increased 4.5 percent, the smallest payroll increase among all major industries in the State. The increase lagged the Nation's 7.1-percent average increase and was lower in only 19 States.

State unemployment insurance benefits declined 21.8 percent, to \$10 million, compared with a 30.3-percent decline in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

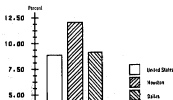


Chart 3.—Total Personal Income
(Seasonally adjusted)

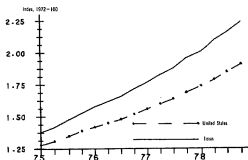


Chart 4.—Individual Composition of Wages and Salaries: Texas
(Seasonally adjusted)

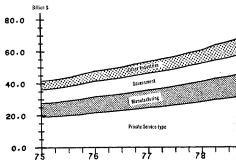


TABLE 2.—Personal Income, United States and Texas Through Fourth Quarter, 1978

	United States			Texas			U.S.	State	U.S.
	1977:IV	1978:IV	1977:III	1977:IV	1978:II	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV
	Billions of dollars, seasonally adjusted at annual rates ¹						Percent change ²		
Total personal income	1,583,508	1,782,539	88,981	97,152	101,935	101,549	12.4	15.1	12.4
Farm personal income	31,224	35,451	1,257	1,457	1,444	1,484	47.3	14.9	26.3
Nonfarm personal income	1,552,284	1,747,088	87,725	95,695	100,491	100,065	11.9	15.1	12.7
Total personal income	1,583,508	1,782,539	88,981	97,152	101,935	101,549	12.4	15.1	12.4
Wages and salary disbursements	1,013,235	1,143,695	54,937	59,245	66,198	68,728	12.1	16.2	12.6
Other labor income	96,035	111,719	5,544	5,872	6,787	7,037	17.0	21.9	15.4
Proprietors' income	105,353	125,995	6,826	7,352	7,643	7,949	21.5	15.5	18.0
Partners	23,636	29,944	890	1,318	1,054	1,855	46.6	18.4	21.3
Firms	82,317	94,951	5,710	5,845	6,590	6,813	12.8	15.0	15.3
Dividends, interest, and rent	214,982	242,442	13,710	13,574	14,815	15,259	12.3	12.2	12.8
Transfer payments	215,944	235,750	9,858	10,615	10,937	11,892	8.8	19.6	8.2
State unemployment insurance benefits	13,026	7,753	172	197	357	159	-24.0	-8.4	-30.3
Less: personal contributions	62,212	71,610	3,479	3,558	4,132	4,238	14.8	19.1	15.1
Plus: residence adjustment	-401	-473	-177	-209	-277	-288	—	—	—
Wages and salary disbursements	1,013,216	1,140,696	56,977	59,245	66,198	68,728	12.1	16.2	12.6
Farm	1,176	7,039	298	219	287	355	8.5	6.4	10.6
Nonfarm	1,006,040	1,132,757	56,679	58,816	65,911	68,373	12.1	16.2	12.6
Mining	14,049	18,813	2,793	2,779	3,748	3,871	26.5	27.1	23.9
Construction	95,448	46,858	4,865	4,981	5,572	5,742	18.1	21.4	29.1
Manufacturing	274,112	312,930	11,815	12,486	13,689	14,757	12.1	15.9	12.3
Durable goods	176,216	202,653	6,958	7,119	7,990	8,357	13.7	20.0	—
Nondurable goods	99,896	110,277	5,157	5,299	5,699	5,999	9.4	10.5	—
Private service-type	455,764	515,349	26,518	27,508	30,782	31,997	12.8	15.1	—
Transportation, communication, and public utilities	76,584	85,264	4,571	4,853	5,339	5,523	10.4	—	—
Wholesale and retail trade	176,888	195,025	11,157	11,537	12,983	13,465	—	—	—
Finance, insurance, and real estate	54,452	61,683	2,991	3,137	3,543	3,672	—	—	—
Services	153,840	173,966	7,981	8,617	—	—	—	—	—
Government	201,252	215,083	—	—	—	—	—	—	—
Federal	48,176	73,003	—	—	—	—	—	—	—
State and local	133,076	142,080	—	—	—	—	—	—	—
Other	3,256	3,685	—	—	—	—	—	—	—

Labor Force

From 1977:IV to 1978:IV, Texas' civilian labor force increased 3.7 percent, compared with a 3.1-percent advance nationally (table 4). Total employment increased from 5.6 million to 5.8 million, a 4.1-percent advance that somewhat exceeded the 3.9-percent national average advance.

With employment increasing by 231,000 and the labor force increasing by only 220,000, the number of unemployed declined by 11,000. The unemployment rate declined 0.3 percentage point, to 4.6 percent of the labor force. While in 1977:IV, Texas' unemployment rate was 1.3

percentage points below the Nation's 6.2-percent rate, in 1978:IV, its 0.7 percentage point below the Nation's 5.5-percent rate.

Across the State, unemployment rates varied considerably. According to preliminary data for December 1978, unemployment rates ranged from 3.3 percent in Austin to 8.7 percent in El Paso; the preliminary State rate was 4.7 percent. The two largest metropolitan areas, Dallas-Ft. Worth and Houston, registered rates of 3.7 and 3.6 percent respectively.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV, Texas

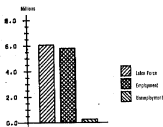


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

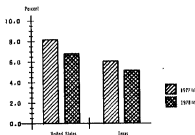


TABLE 4.—Labor Force, United States and Texas Through Fourth Quarter, 1978

	United States			Texas			U.S. State		Percent change ¹
	1977:IV	1978:IV	1977:IV	1978:IV	1978:IV	1977:IV	1978:IV		
	Thousands of persons, not seasonally adjusted ²								
Employees as demographic groups	84,210	87,708	4,886	4,974	5,326	5,308	4.3	4.8	42
Mining	767	899	199	183	174	173	8.2	6.4	142
Construction	4,932	4,485	359	346	347	364	10.4	4.7	113
Manufacturing	18,989	20,732	984	956	952	944	3.1	5.3	37
Transportation, communication, and public utilities	4,241	4,971	314	314	330	333	3.8	5.4	44
Wholesale and retail trade	16,112	20,015	1,105	1,320	1,252	1,278	5.3	3.9	45
Finance, insurance, and real estate	4,852	4,794	277	277	291	290	4.8	5.1	-20
Services	15,534	16,215	847	864	885	886	4.6	4.5	44
Government	15,434	15,824	834	817	876	920	2.1	5.1	14
Civilian labor force ³	86,591	90,815	5,828	5,880	6,026	6,108	3.2	3.5	13
Total employed	52,442	56,010	6,523	5,910	5,714	5,821	4.1	4.0	15
Total unemployed	4,149	5,805	317	290	303	317	-9.8	-4.7	-18
Percent unemployed	6.2	5.5	5.5	4.9	5.0	4.6			

¹ Small may not add to totals because of rounding.

² Based on unrounded data.

³ Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

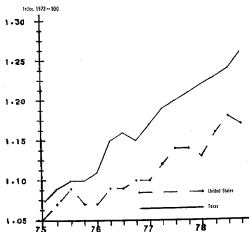


Chart 8.—Civilian Employment

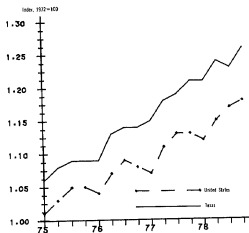


Chart 9.—Unemployment Rate

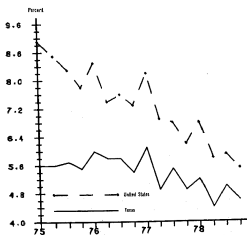
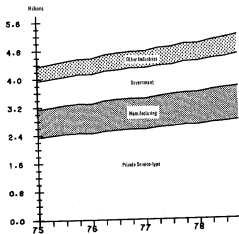


Chart 10.—Industrial Composition of Nonsgricultural Employment: Texas



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Texas Through Fourth Quarter, 1978

	United States			Texas			U.S.	State	U.S.
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III— 1978-III	1978-III	1978-III— 1978-IV
	Millions of dollars, not seasonally adjusted ¹						Percent change ²		
Total loans	638,562	n.a.	34,871	36,465	42,449	n.a.	18.3	21.4	---
Commercial and industrial	164,317	n.a.	13,681	14,327	16,562	n.a.	14.2	20.5	---
Loans to individuals	140,595	n.a.	8,859	9,302	10,868	n.a.	20.2	22.1	---
Real estate	177,835	n.a.	6,987	7,197	8,968	n.a.	19.9	33.7	---
Residential	101,234	n.a.	1,889	2,822	2,843	n.a.	31.3	29.9	---
Farms	7,331	n.a.	436	444	496	n.a.	10.7	13.8	---
Other	68,968	n.a.	4,363	4,331	5,769	n.a.	19.0	37.2	---
Farms, excluding real estate	25,704	n.a.	2,624	1,934	2,172	n.a.	6.8	6.8	---
Other	89,947	n.a.	3,660	3,958	3,999	n.a.	8.0	9.3	---
Total deposits	925,531	n.a.	56,328	60,275	63,454	n.a.	11.5	15.1	---
On demand	337,683	n.a.	24,816	27,492	28,757	n.a.	10.2	13.4	---
Time and savings	547,838	n.a.	31,512	32,824	36,899	n.a.	12.3	17.3	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Construction

The total valuation of contracts rose 27.6 percent from 1977:IV to 1978:IV, to \$3.7 billion. The gain in Texas exceeded the Nation's average gain by almost 11 percentage points (table 6). Construction costs rose about 13 percent nationally over the period; if this rise reflects the advance throughout Texas, the real valuation of contracts in the State rose about 15 percent versus about 4 percent nationally.

The valuation of nonbuilding contracts rose 110.9 percent in the State, five times more than nationally. A \$435 million contract in 1978:IV for the construction of an electric generating plant in Lamb County raised the valuation of nonbuilding contracts in Texas to an unusually high level, thereby distorting the year-to-year change. If the plant is excluded, the valuation of nonbuilding contracts in the State would have increased only 2.8 percent. Contracts for streets and highways, a major component of nonbuilding contracts, declined 9.5 percent in valuation versus a 16.3-percent national decline.

The valuation of nonresidential contracts rose by one-fourth from year to year, almost 10 percentage points more than nationally, to \$948 million.

The valuation of contracts for additions and alterations to residential housekeeping units rose 25.6 percent (\$99 million), to \$487 million. The gain far outpaced the national average gain of 14.6 percent.

The valuation of residential housekeeping contracts rose 3.1 percent, one of the smallest gains in the Nation, to \$1.4 billion. Strong gains in valuation in Harris County (Houston) contrasted with declines in the remainder of the State. In 1978:IV, the Houston area accounted for more than one-fifth of the valuation of all residential housekeeping contracts in the State. The number of dwelling units started fell by over one-fourth, or almost 11,600, to 33,800. Only New Mexico registered a larger decline. Nationally, the number of dwelling units started was almost unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

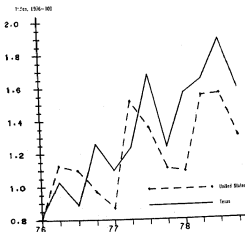


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Texas

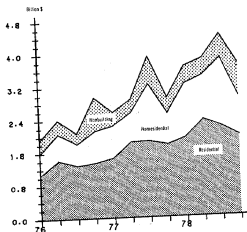
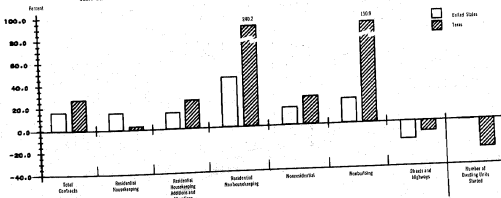


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV



UTAH

Highlights

1977:IV to 1978:IV

- Personal income** —Up 15.6% vs. 12.6% in U.S., to \$9.2 billion
 —Payrolls up 22.8% in manufacturing vs. 13.3% in U.S.
 —Private service-type payrolls up 17.0% vs. 13.1% in U.S.
- Employment** —Up 5.1% vs. 3.9% in U.S., to 536,000
- Unemployment** —Down 6,000, to 19,000
 —Rate down to 3.5% of labor force vs. 5.5% U.S. rate
- Construction** —Total valuation of contracts down 1.5% vs. 16.8% increase in U.S., to \$313.9 million
 —Valuation of nonresidential contracts down 21.3% vs. 15.8% increase in U.S.
 —Number of dwelling-unit starts down 9.7% vs. near stability in U.S., to 4,103

TABLE 1.—Summary of Economic Indicators, United States and Utah Through Fourth Quarter, 1978

	United States			Utah		U.S. State		U.S. State	
						1977:IV		1978:IV	
	1977:III	1978:IV	1977:III	1977:IV	1978:IV	1977:III	1978:IV	1977:III	1978:IV
All indicators, except income, not seasonally adjusted									
Total personal income (billions of dollars).....	1,583,500	1,782,509	7,576	7,923	8,814				
Total wages and salaries (billions of dollars).....	1,813,316	1,140,896	5,115	5,365	6,016				
Civilian employment (thousands).....	82,462	95,010	510	590	531				
Unemployment (thousands).....	4,149	5,905	28	35	18	19	-9.8	-39.4	-8.8
Percent unemployed (unemployment/labor force).....	6.2	5.5	4.8	4.7	3.3	3.5			
Total loans (billions of dollars).....	616,582	n.a.	2,830	3,107	3,103	n.a.	16.3	19.6	
Total deposits (billions of dollars).....	625,511	n.a.	4,027	4,375	4,879	n.a.	12.9	15.3	
Total valuation of construction contracts (billions of dollars).....	36,913,113	45,856,773	303,439	316,497	440,152	313,855	14.5	32.8	16.8
Dwelling units started (number).....	445,772	443,875	5,134	4,543	4,034	4,033	1.8	-10.2	-6
Total retail sales (billions of dollars).....	197,630	228,000	n.a.	n.a.	n.a.	n.a.	10.3		31.2
New business incorporations (number).....	308,411	n.a.	956	1,725	1,035	n.a.	6.2	9.3	
Business failures (number).....	1,684	n.a.	0	0	1	n.a.	-6.5		
Consumer Price Index (1967=100):									
U.S. city average.....	165.3	201.8					7.8		8.9

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 15.6 percent from 1977:IV to 1978:IV, 3.0 percentage points more than nationally (Table 2). Utah's increase was one of the largest in the Nation. In 1978:IV, the State's personal income totaled \$9.2 billion, up \$1.2 billion since 1977:IV.

Nonfarm personal income in Utah increased 15.7 percent from year to year, 3.4 percentage points more than nationally. Since the most recent national business cycle peak in 1973:IV, Utah's economy has grown considerably more rapidly than the Nation's; the increase in the State's nonfarm income was 33 percent more than nationally, ranking Utah sixth among all States.

Wage and salary disbursements (payrolls) increased 17.1 percent from 1977:IV to 1978:IV, 4.5 percentage points more than nationally. Utah's increase was the fourth largest in the Nation, after the increases in Wyoming, Nevada, and Arizona. In 1978:IV, Utah's payrolls totaled \$6.3 billion, up \$918 million since 1977:IV.

Manufacturing payrolls in the State scored sharp year-to-year increases. Durable goods manufacturing payrolls increased 23.2 percent, or the largest increases in the Nation, versus 15.2 percent nationally. \$835 million increase in the State's durables payrolls accounted 6 percent of the year-to-year increase in all payrolls in Utah. Nondurable goods manufacturing payrolls increased 21.9 percent in the State, twice as much as nationally; Utah's increase was the largest among States.

Most of the components of Utah's private service-type payrolls registered payroll increases that exceeded corresponding national increases. Trade payrolls increased 21.1 percent in the State versus 16 percent nationally; the trade increase was larger in only Wyoming, Nevada, and Arizona. Payrolls in transportation-communications increased 16.3 percent from year to year versus 13 percent nationally, and those in finance-insurance-real estate 15.7 percent versus 13.2 percent nationally. In contrast, services payrolls increased 12.5 percent in the State, fractionally less than the national increase.

State and local government payrolls increased 13.9 percent in 1978 compared with a 6.8-percent national increase. Utah's increase, third in the Nation, after increases in Mississippi and Alabama. Federal Government payrolls increased 7.9 percent in Utah and 7.1 percent nationally.

Construction payrolls increased 16.1 percent in the State versus 10 percent nationally. Mining payrolls increased 31.6 percent versus 10 percent nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 14.9 percent, one of the smallest declines in the Nation. Concurrently, unemployment insurance benefits declined 30.1 percent throughout the Nation.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)

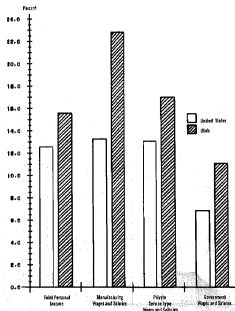


Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

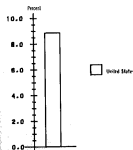


Chart 3.—Total Personal Income
(Seasonally adjusted)

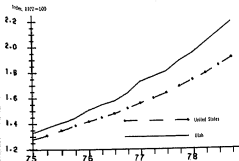


Chart 4.—Industrial Composition of Wages and Salaries: Utah
(Seasonally adjusted)

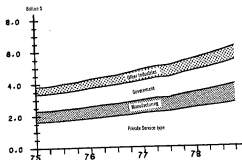


TABLE 2.—Personal Income, United States and Utah Through Fourth Quarter, 1978

	United States			Utah			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:IV	1977:IV	1978:IV	1978:IV	1977:IV— 1978:IV	1977:IV— 1978:IV	1977:IV— 1978:IV	1977:IV— 1978:IV
	Billions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,580,508	1,782,519	7,576	7,823	8,814	9,157	12.4	16.3	12.6	15.6
Firm personal income	38,224	39,451	79	113	124	119	47.9	95.8	28.3	4.8
Nonfirm personal income	1,542,284	1,743,068	7,497	7,710	8,690	9,038	11.9	15.3	12.3	15.7
Total personal income	1,580,508	1,782,519	7,576	7,823	8,814	9,157	12.4	16.3	12.6	15.6
Wage and salary disbursements	1,013,216	1,140,896	5,115	5,365	6,019	6,283	12.1	17.7	12.6	17.1
Other labor income	98,616	111,719	443	471	551	576	12.6	24.5	16.4	22.2
Proprietors' income	108,953	125,995	492	503	550	565	28.5	19.1	18.9	12.3
Farm	23,636	31,944	55	84	94	88	68.6	85.8	31.9	2.8
Nonfarm	82,217	94,951	411	419	457	478	12.8	11.3	15.9	14.6
Dividends, interest, and rent	214,892	242,442	956	979	1,074	1,006	12.3	12.4	12.8	8.6
Transfer payments	225,944	233,750	929	948	1,018	1,039	8.6	9.5	8.2	9.6
State unemployment insurance benefits	11,128	7,753	41	42	32	36	-24.0	-21.5	-28.3	-94.9
Less: personal contributions	62,212	71,610	331	345	401	3	—	—	—	—
Plus: residence adjustment	-401	-473	2	2	3	3	—	—	—	—
Wage and salary disbursements	1,013,216	1,140,896	5,115	5,365	6,019	6,283	12.1	17.7	12.6	17.1
Farm	7,176	7,928	27	29	25	31	5.5	7.9	10.6	7.4
Nonfarm	1,006,040	1,132,757	5,088	5,337	5,994	6,252	12.1	17.7	12.6	17.2
Mining	14,648	16,613	258	246	324	378	26.5	25.4	32.9	31.8
Construction	55,648	56,858	414	434	478	504	19.1	15.6	26.1	16.1
Manufacturing	276,112	312,979	865	946	1,087	1,161	12.1	15.7	13.3	22.8
Durable goods	176,216	203,053	694	678	783	836	13.7	26.2	16.2	23.2
Non-durable goods	99,896	109,927	259	267	304	325	9.4	17.5	10.0	21.9
Private service-type	485,764	515,348	2,139	2,352	2,443	2,732	12.8	18.1	13.1	17.8
Transportation, communication, and public utilities	76,584	85,294	453	473	539	590	14.1	17.0	11.3	16.3
Wholesale and retail trade	176,888	195,635	562	543	589	1,342	13.6	19.9	14.1	21.1
Finance, insurance, and real estate	353,840	377,346	221	238	265	276	14.1	28.2	13.2	15.7
Services	281,292	215,083	1,394	1,347	1,448	1,496	7.4	11.0	6.8	11.3
Government	68,176	73,003	599	621	637	669	7.5	15.1	6.8	13.9
Federal	132,676	142,080	785	726	811	827	18.7	23.4	14.6	14.8
State and local	2,216	3,685	1	8	10	16	—	—	—	—
Other	—	—	—	—	—	—	—	—	—	—

1. Detail may not add to totals because of rounding.

2. Percent change calculated on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

Labor Force

From 1977:IV to 1978:IV, Utah's civilian labor force increased 3.7 percent versus 3.1 percent nationally (table 4). Total employment increased 5.1 percent versus 3.9 percent nationally, to 536,000.

With employment increasing by 26,000 and the labor force increasing by 20,000, the number of unemployed declined by 6,000, to 19,000. Utah's

unemployment rate declined 1.2 percentage points, to 3.5 percent of State's labor force. Utah's unemployment rate was the seventh low rate in the Nation, along with the 3.5-percent rates registered in Hampshire and Wyoming. The national unemployment rate in 1978 was 5.5 percent, down 0.7 percentage point from the 1977:IV level

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV: Utah



Chart 6.—Unemployment Rates, 1977:IV–1978:IV

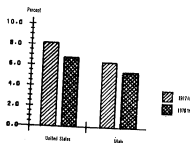


TABLE 4.—Labor Force, United States and Utah Through Fourth Quarter, 1978

	United States						State			U.S.
	1977:IV			1978:IV			1977:IV – 1978:IV			1977:IV – 1978:IV
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on noncapital/labor payroll	84,219	87,708	494	587	526	548	4.3	6.5	4.2	
Mining	787	899	14	15	17	17	8.2	16.2	14.2	
Manufacturing	4,032	4,488	35	34	39	38	10.4	12.3	11.3	
Transportation, communication, and public utilities	19,586	20,722	76	30	30	30	3.3	6.9	3.7	
Wholesale and retail trade	4,761	4,971	30	77	81	82	3.3	6.9	3.7	
Finance, insurance, and real estate	10,162	20,815	119	124	133	133	3.8	9.3	4.4	
Services	4,652	4,798	23	23	25	25	4.8	8.1	2.8	
Government	15,520	15,315	83	86	92	94	4.5	18.2	8.4	
Government	15,424	15,196	113	119	119	124	2.1	5.3	1.4	
Civilian labor force ³	94,991	101,615	527	526	566	595	3.2	3.5	3.1	
Total employed	92,442	96,010	510	510	531	536	4.1	4.2	3.9	
Total unemployed	6,149	5,605	26	25	18	19	-9.8	-30.4	-8.8	
Percent unemployed	6.2	5.5	4.9	4.7	3.3	3.5	-1.2	-8.8	-2.7	

1. Only IV may not add to totals because of rounding.

1. Data may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

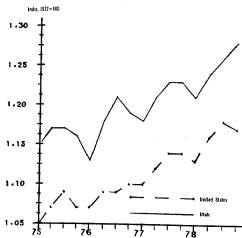


Chart 8.—Civilian Employment

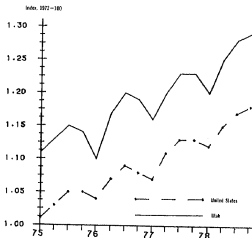


Chart 9.—Unemployment Rate

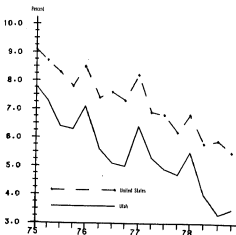
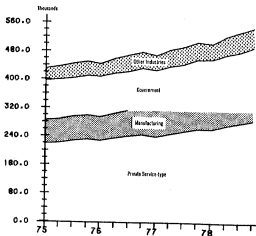


Chart 10.—Industrial Composition of Nonagricultural Employment: Utah



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Utah Through Fourth Quarter, 1978

	United States			Utah			U.S.	State	1978
	1972:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III-IV	1978:III-IV	1978:IV
	Billions of dollars, not seasonally adjusted ¹						Percent change ²		
Total loans	687,502	n.a.	2,938	3,107	3,503	n.a.	16.3	19.6	---
Commercial and industrial	196,317	n.a.	887	968	1,645	n.a.	14.2	17.7	---
Loans to individuals	140,599	n.a.	719	754	842	n.a.	20.2	17.1	---
Real estate	177,935	n.a.	1,101	1,138	1,352	n.a.	19.9	22.7	---
Residential	156,238	n.a.	915	994	797	n.a.	21.3	14.9	---
Farms	7,731	n.a.	21	19	22	n.a.	10.7	52.8	---
Other	68,908	n.a.	465	529	403	n.a.	19.0	31.8	---
Farms, excluding real estate	25,704	n.a.	104	108	106	n.a.	6.9	1.3	---
Other	69,947	n.a.	118	143	159	n.a.	8.9	35.1	---
Total deposits	925,511	n.a.	4,937	4,395	4,679	n.a.	11.5	15.9	---
Demand	377,680	n.a.	1,450	1,645	1,664	n.a.	10.2	14.7	---
Time and savings	547,818	n.a.	2,587	2,729	3,014	n.a.	12.3	16.5	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts declined 1.5 percent (\$4.6 million), to \$313.9 million (table 6). Utah's percent decline was one of the largest in the Nation. Nationally, the total valuation of contracts increased 16.8 percent. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase throughout the State, the total valuation of contracts in Utah sustained a real decline of nearly 15 percent versus a real increase in the Nation of about 4 percent.

Nonresidential contracts declined 21.3 percent in valuation in Utah, compared with a national increase of 15.8 percent. The State's decline was one of the largest nationally.

Nonbuilding contracts declined 7.1 percent in valuation versus a 22.2-percent national increase. In contrast, the valuation of street and

highway contracts, a major component of nonbuilding contracts, increased 161.7 percent, one of the largest increases in the Nation, compared with a national decline of 16.3 percent. In 1977:IV, the valuation of street and highway contracts in Utah had been at an unusually low level.

Residential housekeeping contracts increased 5.9 percent in valuation, compared with a national increase of 15.6 percent. The number of dwelling units started declined 9.7 percent (440 units), to 4,103 units; nationally, the number of dwelling units started was almost unchanged at a high level. Contracts for residential housekeeping additions and alterations increased 29.6 percent in valuation in the State, 15.9 percentage points more than nationally.

Chart 14.—Construction Contracts—Total Valuation

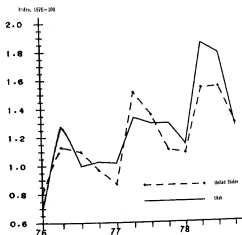


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Utah

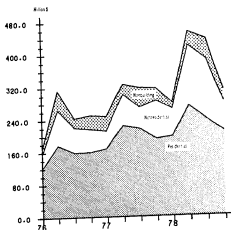


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

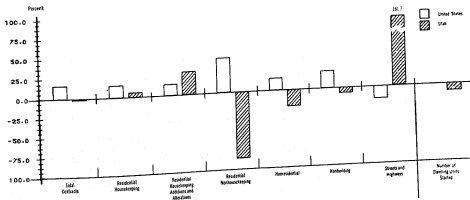


TABLE 6.—Construction Contracts, United States and Utah Through Fourth Quarter, 1978¹

	United States						Utah		U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:III	1977:IV— 1978:IV		
	Not seasonally adjusted						Percent change ²					
Total valuation of contracts	36,613,111	45,499,373	319,430	318,487	440,152	313,805	14.5	37.8	16.4	-		
Residential housekeeping, additions and alterations:												
Valuation (thousands of dollars)	7,767,587	8,832,353	42,514	41,632	57,880	53,646	16.6	26.1	30.4	3		
All other contracts:												
Number of contracts	62,799	56,628	310	371	414	317	4.4	31.1	-9.3	-3.1		
Valuation (thousands of dollars)	31,205,134	36,627,420	276,916	276,845	382,272	258,165	14.0	38.0	17.4	-4		
Floor area (thousands of square feet)	86,403	871,596	8,264	8,824	16,688	7,868	28.3	29.3	30.2	-1		
Residential housekeeping:												
Number of contracts	34,825	14,162	115	115	115	115	-5.1	9	-4.3	1		
Valuation (thousands of dollars)	445,372	443,075	1,126	4,543	4,614	4,702	9.0	-16.2	-6	-1		
Floor area (thousands of square feet)	14,875,596	17,156,568	162,858	147,231	178,824	105,948	15.3	9.8	15.5	11		
Residential nonhousekeeping:												
Number of contracts	567	505	4	3	2	2	-10.0	-50.0	-4	-21		
Valuation (thousands of dollars)	338,631	406,279	12,763	3,863	3,302	576	9.4	-74.6	148	-82		
Floor area (thousands of square feet)	8,437	18,560	355	104	63	3	-3	-83.3	243	-3		
Nonresidential:												
Number of contracts	36,756	27,655	145	383	288	149	-9.5	43.4	-32.0	-31		
Valuation (thousands of dollars)	9,334,435	10,806,758	53,214	94,798	156,857	74,633	27.5	162.0	15.9	-1.1		
Floor area (thousands of square feet)	293,253	319,240	1,811	2,716	3,956	2,346	12.2	148.2	8.9	-54		
Nonbuilding:												
Number of contracts	16,781	15,135	47	70	88	51	22.4	87.2	-9.1	-21		
Valuation (thousands of dollars)	6,622,476	8,327,854	48,041	36,573	50,019	28,789	-1	4.1	31.7	-71		
Streets and highways:												
Number of contracts	4,986	4,696	15	10	36	18	9.3	360.0	-129	-10		
Valuation (thousands of dollars)	2,598,981	1,531,341	25,806	7,519	30,113	16,386	3.0	16.7	-163	11.7		

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unreported data.

Source: F. IV, Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Utah are not available.

TABLE 7.—Retail Sales, United States and Utah Through Fourth Quarter, 1978

	Fourth Quarter, 1978											
	United States:						Utah		U.S.	State	U.S.	State
							1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted						Percent change					
Retail sales	297,830	219,820	n.a.	n.a.	n.a.	n.a.	30.3	---	11.7	---		
Durable goods	62,085	71,523	n.a.	n.a.	n.a.	n.a.	11.8	---	15.1	---		
Nondurable goods	174,985	147,467	n.a.	n.a.	n.a.	n.a.	9.5	---	9.2	---		
n.a. = Data not available												

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Utah Through Fourth Quarter, 1978

	United States			Utah			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:III	1977:IV— 1978:IV
	Not seasonally adjusted						Percent change			
New business incorporations	339,411	n.a.	956	1,025	1,035	n.a.	6.2	6.3	---	---
Total number of business failures	1,884	n.a.	0	0	3	n.a.	-9.5	---	---	---
Current liabilities (Thousands of dollars)	494,286	n.a.	0	0	141	n.a.	-44.2	---	---	---
Average liability per failure (Thousands of dollars)	268	n.a.	0	0	141	n.a.	-35.4	---	---	---
Business failures by industry										
Mining and manufacturing	348	n.a.	0	0	0	n.a.	-38.3	---	---	---
Construction	319	n.a.	0	0	1	n.a.	1.0	---	---	---
Wholesale trade	191	n.a.	0	0	0	n.a.	-27.1	---	---	---
Retail trade	688	n.a.	0	0	0	n.a.	-4.2	---	---	---
Commercial services	238	n.a.	0	0	0	n.a.	-24.0	---	---	---

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

VERMONT



Highlights

1977:IV to 1978:IV

Personal income

- Up 14.4%, 1.8 percentage points more than in U.S.
- Strong increases in manufacturing, private service-type industries, and construction

Consumer prices

- Up 7.5% in Boston vs. 8.9% in U.S.

Employment

- Up 5.9% vs. 3.9% in U.S., to 228,000

Unemployment

- Down 3,000, to 12,000
- Rate down to 4.8% of the labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts down 15.5% vs. an increase of 16.8% in U.S., to \$98 million
- Weakness in all major construction categories in State
- Number of dwelling-unit starts down 1.1% vs. little change in U.S., to 1,078

TABLE 1.—Summary of Economic Indicators, United States and Vermont Through Fourth Quarter, 1978

	United States			Vermont			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,583,508	1,762,519	2,422	2,624	2,226	3,344	12.4	12.1	12.6	34
Total wages and salaries (millions of dollars)	1,613,216	1,748,986	1,711	1,779	1,980	2,065	12.1	15.4	12.6	16
Civilian employment (thousands)	82,442	86,819	214	235	233	328	4.5	6.7	2.9	5
Unemployment (thousands)	6,149	5,605	14	15	11	32	-9.8	-25.6	-8.8	-25
Percent unemployed (unemployment/labor force)	6.2	5.5	6.1	6.5	4.4	4.8	—	—	—	—
Percent unemployed (unemployment/labor force)	6.2	5.5	6.1	6.5	4.4	4.8	—	—	—	—
Total loans (millions of dollars)	616,962	n.a.	1,204	1,244	1,396	n.a.	18.3	16.4	—	—
Total deposits (millions of dollars)	925,511	n.a.	1,412	1,678	1,824	n.a.	15.5	13.1	—	—
Total valuation of construction contracts (thousands of dollars)	30,937,111	45,495,773	97,690	115,487	128,964	97,581	14.5	23.8	14.1	-15
Dwelling units started (number)	445,722	443,675	1,157	1,699	1,369	1,028	1.6	18.3	-6	-1
Total retail sales (millions of dollars)	197,630	218,020	n.a.	n.a.	n.a.	n.a.	10.3	—	11.2	—
New business incorporations (number)	108,412	n.a.	267	345	267	n.a.	6.2	.8	—	—
Business failures (number)	1,684	n.a.	3	3	0	n.a.	-6.5	—	—	—
Consumer Price Index (1967=100):										
U.S. city average	185.3	201.6	—	—	—	—	7.8	—	8.8	—
Boston	—	—	185.9	185.3	194.2	195.2	—	5.9	—	—

n.a.: Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 14.4 percent from 1977:IV to 1978:IV, 1.8 percentage points more than in the Nation (table 2). Among all States, Vermont's increase ranked 13th. In 1978:IV, the State's personal income totaled \$3.3 billion, for an increase of \$0.4 billion since 1977:IV. Changes in most major income components were above those registered in corresponding components nationally. Vermont was the only State in New England with an increase in total personal income that was well above the national average; most States in the region had increases that were close to the national average.

Since the last national business cycle peak (1973:IV), Vermont's economic growth has been close to the national average; the increase in nonfarm income was 2 percent more than nationally, ranking Vermont 30th among all States. Within the New England region, Vermont's increase was second only to New Hampshire's.

Consumer prices in Boston, the metropolitan area closest to Vermont for which price data are available, increased 7.5 percent from 1977:IV to

1978:IV versus a national increase of 8.9 percent (table 3). If Boston's index is used as an indicator for price movements in the State, real total personal income in Vermont increased 6.9 percent versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 16.6 percent in Vermont versus 12.6 percent in the Nation. Among all States, Vermont's increase ranked fifth. In 1978:IV, payrolls totaled \$2.1 billion, up \$0.3 billion since 1977:IV.

Manufacturing payrolls increased 23.5 percent in Vermont, 10.2 percentage points more than in the Nation. Among all States, Vermont's increase ranked second, after Nevada's 27.3-percent increase. Vermont's manufacturing increase was particularly important because manufacturing payrolls accounted for 19.9 percent of Vermont's total income in 1978:IV versus 17.6 percent nationally. Strength extended to both durable and nondurable goods manufacturing. The increase in durable goods manufacturing payrolls was especially strong, 26.2 percent versus 15.2 percent nationally; durable goods payrolls accounted for 77.4 percent of all manufacturing payrolls in Vermont in 1978:IV. Nondurable goods payrolls increased 15.0 percent in the State and 10.0 percent in the Nation.

Private service-type industry payrolls also were strong—up 16.1 percent versus 13.1 percent nationally. Strength was particularly pronounced in services and trade. Construction payrolls increased 22.3 percent in Vermont and 20.1 percent in the Nation.

Government payrolls were relatively weak in Vermont—up 5.6 percent versus 6.9 percent nationally. The increases in both Federal and State and local government payrolls were smaller in Vermont than in the Nation.

With Vermont's economy expanding more rapidly than the national economy, State unemployment insurance benefits declined 29.9 percent in Vermont versus 30.3 percent in the Nation; only eight States had larger declines.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
(Seasonally adjusted)

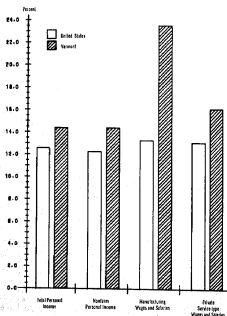


Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

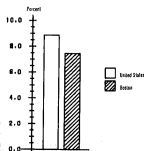


Chart 3.—Total Personal Income
(Seasonally adjusted)

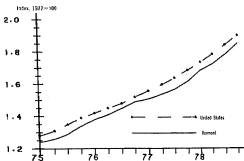


Chart 4.—Industrial Composition of Wages and Salaries: Vermont
(Seasonally adjusted)

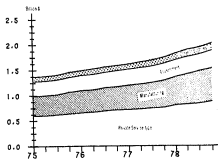


TABLE 2.—Personal Income, United States and Vermont Through Fourth Quarter, 1978

	United States		Vermont		U.S. State		U.S. State	
	1977:IV	1978:IV	1977:IV	1978:IV	1977:IV - 1978:IV	1977:IV - 1978:IV	1977:IV - 1978:IV	1977:IV - 1978:IV
	Millions of dollars, seasonally adjusted at annual rates ¹				Percent change ²			
Total personal income	1,583,530	1,782,513	2,832	2,924	3,226	3,244	12.4	13.9
Farm personal income	31,234	38,403	66	72	81	82	43.8	26.3
Nonfarm personal income	1,552,296	1,744,088	2,766	2,852	3,145	3,262	13.9	13.7
Total personal income	1,583,530	1,782,513	2,832	2,924	3,226	3,244	12.4	13.9
Wage and salary disbursements	1,013,716	1,140,695	1,711	1,716	1,983	2,050	12.1	15.8
Other labor income	56,916	111,719	160	188	167	201	17.0	23.2
Proprietors' income	105,953	125,915	241	250	280	289	31.5	16.7
Farm	22,636	31,244	46	51	58	59	66.6	20.6
Nonfarm	82,317	94,571	195	199	222	229	12.8	13.7
Dividends, interest, and rent	214,692	242,447	413	424	462	435	12.3	11.9
Transfer payments	215,944	233,759	445	454	476	467	8.4	6.8
State unemployment insurance benefits	11,128	7,759	26	27	13	16	-24.6	-33.3
Less: personal contributions	62,212	71,619	100	102	121	124	14.8	23.3
Plus: residence adjustment	-691	-473	-3	-6	-52	-52	-	-
Wage and salary disbursements	1,013,716	1,140,695	1,711	1,716	1,983	2,050	12.1	15.8
Form	1,126	7,529	18	20	21	21	6.5	10.8
Nonfarm	1,006,049	1,132,757	1,692	1,751	1,960	2,043	12.1	15.8
Mining	14,048	18,803	9	9	11	13	26.5	28.4
Manufacturing	55,948	86,888	85	88	106	107	31.1	25.1
Construction	276,112	312,879	511	548	646	667	12.1	26.3
Manufacturing	178,216	203,053	392	408	486	516	13.7	29.9
Durable goods	96,896	108,517	256	272	359	386	12.8	13.7
Non-durable goods	456,164	515,346	133	139	125	129	10.4	12.8
Private services	76,584	86,284	111	110	125	129	10.4	12.8
Transportation, communication, and public utilities	170,688	195,075	283	270	319	315	13.6	13.7
Wholesale and retail trade	54,462	61,653	74	75	83	84	14.1	10.9
Finance, insurance, and real estate	153,849	173,366	367	368	342	385	12.6	11.3
Services	261,252	235,083	397	337	332	356	2.4	1.9
Government	68,176	73,803	17	81	83	86	7.3	8.1
Federal	133,678	142,080	256	256	249	270	7.5	-5.8
State and local	3,116	3,685	5	5	5	6	18.7	17.3
Other	3,116	3,685	5	5	5	6	18.7	17.3

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

1. Detail may not add to totals because of rounding.
2. Based on assumed data.

TABLE 3.—Consumer Price Index, United States and Vermont Through Fourth Quarter, 1978¹

	United States		Vermont		U.S. State		U.S. State	
	1977:IV	1978:IV	1977:IV	1978:IV	1977:IV - 1978:IV	1977:IV - 1978:IV	1977:IV - 1978:IV	1977:IV - 1978:IV
	Index, 1957 = 100, not seasonally adjusted				Percent change			
U.S. city average ²	185.3	201.4	185.3	185.3	194.7	199.2	2.8	8.3
Boston	185.3	201.4	185.3	185.3	194.7	199.2	2.8	8.3

NOTE.—Detailed data are used for the quarters prior to January 1978, and recent data are used for subsequent quarters. Users are advised to exercise caution when making comparisons over time.

1. Consumer Price indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Labor Force

From 1977:IV to 1978:IV, labor market conditions in Vermont were strong. The civilian labor force increased 4.1 percent, 1 percentage point more than in the Nation (table 4). Only 16 States had larger increases. Total employment in Vermont increased 5.9 percent, 2 percentage points more than in the Nation, to 228,000. Only eight States had larger increases than Vermont, which was the only New England State with an above-average increase.

With the labor force increasing 10,000 and employment increasing 13,000, unemployment declined 3,000, to 12,000. In 1978:IV, the unemployment rate in Vermont was 4.8 percent versus a national rate of 5.5 percent. Vermont's unemployment rate declined 1.7 percentage points from year to year versus a decline in the Nation of 0.7 percentage points. Only three States had sharper declines: Nevada (2.3 percentage points) and Rhode Island and Maine (2.0 percentage points each). All New England States except Connecticut had sharp declines in unemployment rates.

Chart 5.—Labor Force, Employment, and Unemployment, 1977:IV–1978:IV

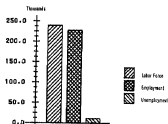


Chart 6.—Unemployment Rates, 1977:IV–1978:IV

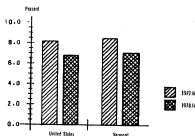


TABLE 4.—Labor Force, United States and Vermont Through Fourth Quarter, 1978

	United States			Vermont			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III–1978:III		1977:IV–1978:IV	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,210	87,708	182	183	192	191	4.3	5.8	4.2	43
Mining	787	899	1	1	1	1	8.2	14.3	14.2	183
Construction	4,032	4,488	10	9	10	9	10.4	-1.0	11.3	-54
Manufacturing	19,586	20,722	44	45	48	48	3.1	10.0	3.3	92
Transportation, communication, and public utilities	4,791	4,971	9	9	9	9	3.8	2.4	4.4	35
Wholesale and retail trade	19,152	20,015	37	38	40	40	5.3	8.0	4.5	64
Finance, insurance, and real estate	4,852	4,756	7	7	8	7	-4.2	4.2	-20	28
Services	15,539	16,215	41	40	43	42	4.6	3.1	4.4	40
Government	15,434	15,696	33	35	33	34	2.1	-5	1.4	-23
Civilian labor force ³	96,581	101,615	232	230	243	240	3.2	4.7	3.8	41
Total employed	92,442	96,610	218	215	233	228	4.1	6.7	3.9	59
Total unemployed	5,140	5,005	14	15	11	12	-9.8	-25.6	-8.8	-27.5
Percent unemployed	6.2	5.5	6.1	6.5	4.4	4.8				

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

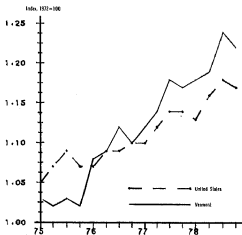


Chart 8.—Civilian Employment

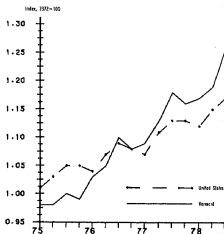


Chart 9.—Unemployment Rate

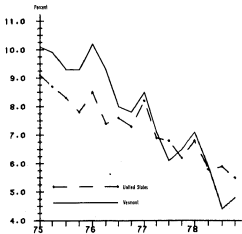
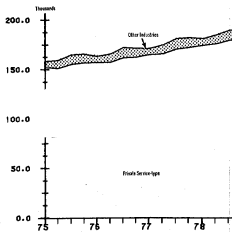


Chart 10.—Industrial Composition of Nonagricultural Employment: Vermont



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Vermont Through Fourth Quarter, 1978

	United States			Vermont			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:III- 1978:III		1977:IV- 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	830,582	n.a.	1,204	1,244	1,380	n.a.	16.3	15.4	---	---
Commercial and industrial	196,217	n.a.	231	236	255	n.a.	14.2	14.9	---	---
Loans to individuals	140,898	n.a.	285	273	203	n.a.	28.2	14.5	---	---
Real estate	177,535	n.a.	675	701	781	n.a.	19.9	15.7	---	---
Suburban	105,238	n.a.	456	472	524	n.a.	21.3	14.8	---	---
Farm	2,731	n.a.	23	22	22	n.a.	10.7	3.8	---	---
Other	86,980	n.a.	197	208	235	n.a.	19.0	13.2	---	---
Farm, excluding real estate	25,704	n.a.	20	19	22	n.a.	6.8	9.3	---	---
Other	59,947	n.a.	14	14	19	n.a.	8.0	25.4	---	---
Total deposits	975,511	n.a.	1,612	1,674	1,824	n.a.	11.5	10.1	---	---
Demand	317,893	n.a.	386	415	443	n.a.	10.2	14.7	---	---
Time and savings	647,838	n.a.	1,226	1,259	1,382	n.a.	12.3	12.7	---	---

1. Total may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts declined 15.5 percent in Vermont, in sharp contrast with an increase of 16.8 percent in the Nation (table 6). Only two States—Wyoming and North Dakota—had larger declines. All major construction markets in the State were weaker than corresponding national markets. In 1978:IV, contracts in the State totaled \$98 million, for a loss over the year of \$17 million.

National construction costs increased about 13 percent; if this increase is representative of cost changes in Vermont, the real valuation of construction contracts declined about 28 percent versus an increase of about 4 percent in the Nation.

The valuation of nonbuilding contracts declined 69.0 percent in Vermont versus an increase of 22.2 percent in the Nation. Partly ac-

counting for the decline in the State was a decline of 78.4 percent in valuation of street and highway contracts, compared with a decline of 16.3 percent in the Nation.

The valuation of nonresidential contracts declined 20.8 percent in the State, in sharp contrast with a gain of 15.8 percent in the Nation. Of eight States had sharper declines.

Contracts for additions and alterations to residential housekeeping units increased only 2.8 percent in valuation in the State, in sharp contrast with an increase of 14.6 percent in the Nation. The valuation of residential housekeeping contracts increased 8.4 percent versus 14.6 percent nationally. The number of dwelling units started declined 16.3 percent, to 1,078 units. In the Nation, the number of dwelling units started was virtually unchanged at a high level.

Chart 14.—Construction Contracts—Total Valuation

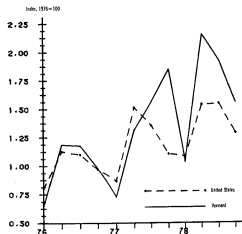


Chart 15.—Construction Contracts—Valuation of Contracts by Type, Vermont

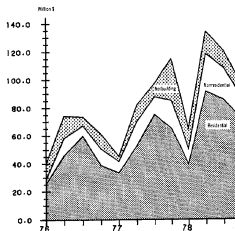


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV-1978:IV

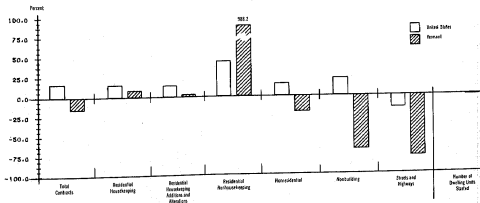


TABLE 6.—Construction Contracts, United States and Vermont Through Fourth Quarter, 1978¹

	United States			Vermont			U.S.	State	U.S.	State
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III— 1978-III		1977-IV— 1978-IV	
	Not seasonally adjusted						Percent change			
Total value of contracts	38,813,133	45,450,773	57,896	105,487	120,964	97,591	14.5	23.8	16.8	-35.5
Retailer housing, additions and alterations	3,707,987	8,532,353	38,247	18,183	36,704	28,954	16.8	-6.5	14.6	2.6
Tractor (thousands of dollars)										
All other contracts										
Number of contracts	62,788	95,838	133	233	282	142	4.4	16.8	-6.3	-38.1
Value (thousands of dollars)	31,205,124	36,877,420	58,443	87,224	84,380	68,637	14.0	44.2	17.4	-21.4
Floor area (thousands of square feet)	895,493	971,595	1,914	1,820	2,830	1,281	10.8	37.4	10.2	-2.1
Residential housing										
Number of contracts	14,825	14,392	55	51	61	53	-5.1	10.9	-4.3	3.1
Number of dwelling units	445,772	443,075	1,157	1,890	1,380	1,078	1.8	19.3	-6	-1.1
Value (thousands of dollars)	14,879,556	17,198,518	35,821	36,751	48,225	39,832	15.3	34.3	15.6	8.4
Floor area (thousands of square feet)	578,733	641,795	1,468	1,391	1,885	1,533	10.3	28.6	10.7	19.2
Residential nonhousing										
Number of contracts	507	585	2	1	2	3	-10.9	.9	-4	270.6
Value (thousands of dollars)	338,837	460,270	155	221	1,099	1,483	9.4	666.4	44.8	599.2
Floor area (thousands of square feet)	1,467	10,580	6	0	36	71	-7	908.0	24.7	—
Nonresidential										
Number of contracts	38,796	27,055	58	78	85	41	-2.5	27.5	-12.6	-42.4
Value (thousands of dollars)	9,334,415	10,810,769	12,437	20,379	22,824	15,995	27.6	81.4	15.8	-79.8
Floor area (thousands of square feet)	253,293	319,240	413	528	706	276	12.2	71.9	8.9	-47.8
Nonbuilding										
Number of contracts	16,200	15,176	65	102	74	45	22.4	13.8	-6.1	-35.3
Value (thousands of dollars)	6,952,476	8,127,854	9,730	20,879	12,013	8,327	-1	23.5	72.2	-59.9
Streets and highways										
Number of contracts	1,806	4,099	29	26	27	12	9.3	-6.9	-17.8	-59.8
Value (thousands of dollars)	2,388,801	1,931,241	4,719	13,113	5,341	2,833	3.9	8.9	-15.3	-76.4

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Retail floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Vermont are not available.

TABLE 7.—Retail Sales, United States and Vermont Through Fourth Quarter, 1978

	United States			Vermont			U.S.	State	U.S.	State
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III— 1978-III		1977-IV— 1978-IV	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	187,636	215,029	n.a.	n.a.	n.a.	n.a.	16.3	—	11.2	—
Wholesale goods	62,085	71,573	n.a.	n.a.	n.a.	n.a.	11.8	—	15.3	—
Nonwholesale goods	125,551	143,456	n.a.	n.a.	n.a.	n.a.	9.5	—	9.2	—

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Vermont Through Fourth Quarter, 1978

	United States			Vermont			U.S.	State	U.S.	State
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III— 1978-III		1977-IV— 1978-IV	
	Not seasonally adjusted						Percent change			
New business incorporations	198,411	n.a.	287	345	267	n.a.	8.2	.8	—	—
Total number of business failures	1,684	n.a.	3	3	0	n.a.	-9.5	—	—	—
Current liabilities (thousands of dollars)	484,294	n.a.	59	1,179	9	n.a.	-44.2	—	—	—
Average liability per failure (thousands of dollars)	288	n.a.	20	381	.9	n.a.	-38.4	—	—	—
Business failures by industry										
Mining and nonmetallic	240	n.a.	0	1	0	n.a.	-19.1	—	—	—
Construction	319	n.a.	1	2	0	n.a.	1.9	—	—	—
Wholesale trade	191	n.a.	1	0	1	n.a.	-27.1	.5	—	—
Retail trade	580	n.a.	1	0	0	n.a.	-6.2	—	—	—
Commercial services	231	n.a.	0	0	0	n.a.	-24.0	—	—	—

n.a.: Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income

- Up 12.9% vs. 12.6% in U.S., to \$41.3 billion
- Payrolls up 15.4% in trade vs. 14.1% in U.S. and 15.6% in services vs. 12.7% in U.S.

Consumer prices

- Up 9.1% in Washington, D.C. vs. 8.9% in U.S.

Employment

- Up 3.6% vs. 3.9% in U.S., to 2.4 million

Unemployment

- Up 17,000, to 125,000
- Rate up to 5.0% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts up 16.8%, the same as in U.S., to \$1.1 billion
- Valuation of nonresidential contracts up 36.9% vs. 15.8% in U.S.
- Number of dwelling-unit starts up 5.2% vs. near stability in U.S., to 11,102

Retail sales

- Up 11.1% vs. 11.2% in U.S., to \$4.9 billion

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 12.9 percent from 1977:IV to 1978:IV versus 12.6 percent nationally (table 2). In 1978:IV, Virginia's personal income totaled \$41.3 billion, up \$4.7 billion since 1977:IV.

Nonfarm personal income in the State increased 12.6 percent from year to year, fractionally more than nationally. Since the most recent national business cycle peak in 1973:IV, Virginia's economy has grown somewhat more rapidly than the Nation's; the increase in the State's nonfarm income was 5 percent more than nationally, ranking Virginia 28th among all States.

From 1977:IV to 1978:IV, the Consumer Price Index for the Washington, D.C. metropolitan area increased 9.1 percent versus an 8.9-percent national city average increase (table 3). If the index for Washington, D.C. is used as an indicator for price movements in the

State, real total personal income in Virginia increased 3.8 percent from year to year, a fraction more than nationally.

Wage and salary disbursements (payrolls) increased 13.2 percent in Virginia versus 12.6 percent in the Nation. In 1978:IV, they totaled \$26.1 billion in the State, up \$3.0 billion since 1977:IV.

Within Virginia's private service-type industry group, trade payrolls increased 15.4 percent, 1.3 percentage points more than nationally, and services payrolls increased 15.6 percent, 2.9 percentage points more than nationally. In contrast, payrolls in finance-insurance-real estate increased 13.2 percent in both the State and Nation, and payrolls in transportation-communication-public utilities increased 10.3 percent, 1.0 percentage point less than nationally.

State and local government payrolls in Virginia increased 13.7 percent from year to year, or twice the national increase. Virginia's increase ranked fourth nationally, after increases in Mississippi, Alabama, and Utah. Federal Government payrolls increased 7.1 percent, the same as nationally.

Nondurable goods manufacturing payrolls increased 12.5 percent in Virginia, 2.5 percentage points more than nationally. Durable goods manufacturing payrolls, in contrast, increased 13.9 percent in the State, compared with a 15.2-percent national increase.

Virginia's construction payrolls increased 19.7 percent from year to year versus 20.1 percent nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 18.3 percent in Virginia, one of the smallest declines in the Nation. Nationally, unemployment insurance benefits declined 30.3 percent.

Chart 1.—Personal Income, Percent Change, 1977:IV–1978:IV
(Seasonally adjusted)

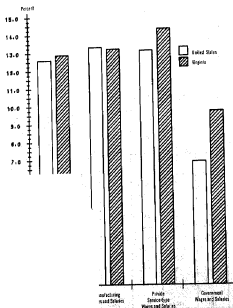


Chart 2.—Consumer Price Index, Percent Change, 1977:IV–1978:IV

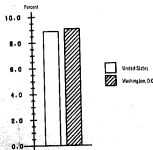


Chart 3.—Total Personal Income
(Seasonally adjusted)

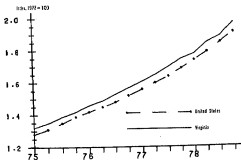


Chart 4.—Industrial Composition of Wages and Salaries: Virginia
(Seasonally adjusted)

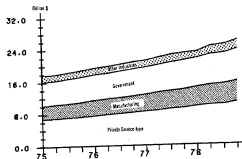


TABLE 2.—Personal Income, United States and Virginia Through Fourth Quarter, 1978

	TABLE 2.—Personal Income, United States and Virginia Through Fourth Quarter, 1978									
	United States			Virginia			U.S. State	U.S. State	U.S. State	U.S. State
	1977:IV	1978:IV	1977:III	1977:IV	1978:IV	1978:IV	1977:IV—1978:IV	1977:IV—1978:IV	1977:IV—1978:IV	1977:IV—1978:IV
	Billions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,583,508	1,782,515	35,690	36,569	35,064	43,288	17.4	11.2	12.6	12.6
Factorial personal income	31,224	36,451	265	285	348	446	47.9	68.8	26.3	56.3
Nonfactorial personal income	1,552,284	1,746,064	35,425	36,284	34,716	42,842	13.9	10.9	12.3	12.3
Total personal income	1,583,508	1,782,515	35,690	36,569	35,064	43,288	17.4	11.2	12.6	12.6
Wage and salary disbursements	1,083,216	1,240,696	22,621	23,085	25,040	26,306	22.1	10.6	12.6	12.6
Other labor income	96,616	111,719	1,871	1,938	2,158	2,267	17.4	10.7	12.6	12.6
Proprietors' income	105,653	125,995	1,748	1,825	2,002	2,267	23.5	19.8	38.5	23.5
Dividends, interest, and rent	23,636	31,844	139	244	276	369	66.6	193.6	31.3	27.7
Transfer payments	87,317	94,291	1,631	1,621	1,819	1,891	12.8	12.5	15.3	17.9
State unemployment insurance benefits	214,082	212,842	1,375	4,051	4,385	4,510	10.3	11.7	12.8	12.8
Less personal contributions	215,944	245,750	4,713	4,839	5,246	5,335	8.8	11.3	9.2	10.3
Less personal contributions	11,328	7,757	98	128	112	164	-14.0	14.2	-30.3	-18.6
Less personal contributions	62,212	71,610	1,480	1,424	1,594	1,659	14.8	13.1	15.1	15.1
Less personal contributions	-461	-473	2,183	2,386	2,386	2,432	-	-	-	-
Wage and salary disbursements	1,013,216	1,140,696	22,621	23,085	25,040	26,306	12.1	10.6	12.6	12.6
Wage and salary disbursements	7,176	7,939	72	61	71	74	8.5	-0.6	10.6	10.6
Wage and salary disbursements	1,006,040	1,132,757	22,549	22,994	24,969	26,032	12.1	10.7	12.6	12.6
Wage and salary disbursements	14,843	18,813	372	375	423	486	28.5	10.0	23.9	23.9
Wage and salary disbursements	58,888	66,858	1,413	1,394	1,625	1,659	19.1	10.0	20.1	20.1
Wage and salary disbursements	276,112	312,370	4,511	4,628	5,048	5,246	12.1	11.9	13.3	13.3
Wage and salary disbursements	176,736	203,053	2,169	2,238	2,426	2,545	13.1	11.9	13.2	13.2
Wage and salary disbursements	99,885	109,517	2,382	2,370	2,621	2,667	9.4	11.9	10.0	10.0
Wage and salary disbursements	465,164	515,348	1,894	1,932	2,115	2,163	12.8	11.2	13.1	13.1
Wage and salary disbursements	76,584	85,204	1,579	1,617	1,731	1,783	13.6	13.0	14.1	14.1
Wage and salary disbursements	176,888	195,825	3,828	3,813	4,017	4,131	14.3	13.8	14.2	14.2
Wage and salary disbursements	54,452	61,653	966	959	1,096	1,131	14.3	13.8	14.2	14.2
Wage and salary disbursements	151,046	173,556	3,825	3,810	4,017	4,131	14.3	13.8	14.2	14.2
Wage and salary disbursements	66,176	73,035	1,509	1,509	1,625	1,667	12.6	13.0	14.1	14.1
Wage and salary disbursements	201,252	215,083	4,573	4,430	4,658	4,721	7.3	13.5	6.8	6.8
Wage and salary disbursements	147,888	162,888	2,836	2,863	3,218	3,254	7.5	13.5	6.8	6.8
Wage and salary disbursements	123,074	147,888	2,836	2,863	3,218	3,254	7.5	13.5	6.8	6.8
Wage and salary disbursements	3,215	3,685	48	48	57	58	18.1	16.8	14.6	14.6

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Virginia Through Fourth Quarter, 1978¹

TABLE 3.—Consumer Price Index, United States and Virginia Through fourth quarter, 1978									
	United States			Virginia			U.S.	State	U.S.
							1977:IV—		1977:IV—
	1977:IV	1978:IV	1977:III	1977:IV	1978:IV	1978:IV	1978:IV		1978:IV
	Index, 1967=100, not seasonally adjusted						Percent change		
U.S. city average ¹	185.3	201.8	185.5	188.1	200.8	205.3	2.5	8.8	8.5
Washington, D.C.	—	—	—	—	—	—	—	—	—

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 25 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and revised data are used for subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

om 1977:IV to 1978:IV, Virginia's civilian labor force increased 4.1 percent versus 3.1 percent nationally (table 4). Total employment increased 3.6 percent in the State versus 3.9 percent nationally, to just 2.4 million.

With the labor force increasing by about 98,000 and employment increasing by about 82,000, the number of unemployed increased by about 16,000 and 17,000, to 125,000. In 1978:IV, the number of adults and housewives seeking work in Virginia was larger than usual, and this mainly accounted for the sharp year-to-year increases in labor force and unemployment. Virginia's unemployment rate increased 0.5 percentage point, to 5.0 percent of the labor force. Virginia was 1 of

only 10 States to register an increase in the unemployment rate. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Among Virginia's major metropolitan areas, preliminary unemployment rates for December 1978, when the State's rate was 5.4 percent, ranged from 6.6 percent in Newport News-Hampton to 3.4 percent in Richmond. In Norfolk-Virginia Beach-Portsmouth, the preliminary rate was 6.1 percent. From December 1977 to December 1978, Roanoke was the only major metropolitan area in the State to register a decline in the unemployment rate; the rate in Roanoke declined 0.6 percentage point, to 4.9 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV, Virginia

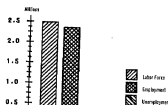


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

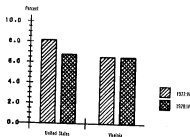


TABLE 4.—Labor Force, United States and Virginia Through Fourth Quarter, 1978

	United States			Virginia			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:IV—1978:III	1977:IV—1978:III	1977:IV—1978:III	1977:IV—1978:III
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Labor force	84,710	87,798	1,587	1,577	2,967	2,882	4.3	5.1	4.2	5.8
Employment	787	809	24	20	21	25	8.2	-9.7	16.2	22.8
Unemployment	4,032	4,488	130	125	144	138	10.4	10.5	11.3	10.8
Unemployed by sex	18,989	20,722	467	408	411	413	3.1	1.0	3.7	1.1
Unemployed by race	4,751	4,571	107	107	104	111	3.8	-2.8	4.4	4.4
Unemployed by education	33,152	35,315	411	424	435	442	5.3	5.9	4.5	6.8
Unemployed by age	4,852	4,758	94	93	99	99	4.8	5.1	-2.0	8.1
Unemployed by marital status	15,539	16,215	344	338	370	384	4.9	7.6	4.4	7.8
Unemployed by marital status	18,434	19,885	490	493	483	494	2.1	7.2	1.4	5.7
Unemployed by marital status	98,591	101,815	2,496	2,387	2,584	2,495	3.2	4.5	3.1	4.1
Unemployed by marital status	91,442	95,010	2,286	2,289	2,376	2,371	4.1	3.7	3.9	3.6
Unemployed by marital status	6,149	5,905	117	108	108	125	-8.8	8.9	-8.8	15.3
Unemployed by marital status	6.2	5.5	4.9	4.5	5.1	5.0				

¹ May not add to totals because of rounding.
² Based on unrounded data.

Beginning January 1979, these data are being estimated by new methods, using more current data. This break in the series, and users are advised to exercise caution when making comparisons over time.
U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

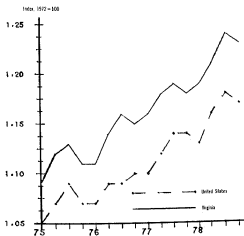


Chart 8.—Civilian Employment

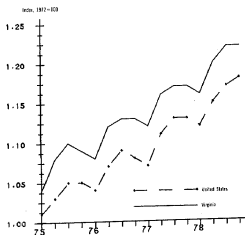


Chart 9.—Unemployment Rate

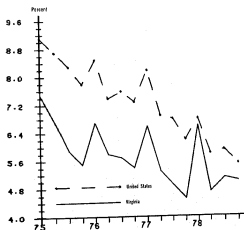
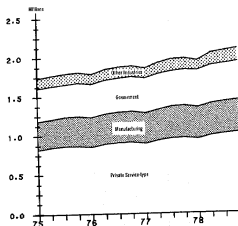


Chart 10.—Industrial Composition of Nonagricultural Employment: Virginia



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Virginia Through Fourth Quarter, 1978

	United States			Virginia			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III- 1978:III			1977:IV- 1978:IV
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	618,582	n.a.	60,594	11,427	12,510	n.a.	16.3	14.7	—	—
Commercial and industrial	236,317	n.a.	2,455	2,645	2,913	n.a.	14.2	18.7	—	—
Residential	340,995	n.a.	3,605	3,804	4,289	n.a.	20.2	17.0	—	—
Automobile	127,925	n.a.	4,212	4,339	4,743	n.a.	19.9	12.6	—	—
Furniture	104,236	n.a.	2,725	2,722	3,933	n.a.	21.3	14.4	—	—
Other	7,731	n.a.	126	127	138	n.a.	18.7	2.2	—	—
Savings	68,968	n.a.	1,452	1,479	1,602	n.a.	23.0	10.3	—	—
Checking	25,704	n.a.	186	163	193	n.a.	6.8	2.6	—	—
Total deposits	69,547	n.a.	475	469	471	n.a.	8.0	-1.1	—	—
Total deposits	925,511	n.a.	15,780	16,418	17,183	n.a.	11.5	8.9	—	—
Savings	377,683	n.a.	5,560	5,849	5,968	n.a.	10.2	7.3	—	—
Checking	547,828	n.a.	10,220	10,569	11,215	n.a.	12.3	9.7	—	—

1. All may not add to totals because of rounding and/or unrounded data.
2. U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts in Virginia increased at the national average rate, 16.8 percent (table 6). In 1978:IV, the valuation of all construction contracts in the State totaled \$1.1 billion, up \$161.6 million since 1977:IV. In 1978:IV, a \$50 million contract for the construction of a chemical plant in Chesterfield County and a \$36 million contract for the construction of a shopping center in Fairfax County substantially increased the State's total valuation of contracts. If both contracts are excluded, the total valuation of contracts would have increased only 4.9 percent from 1977:IV to 1978:IV.

National construction costs increased about 13 percent during the same timespan, and if this increase represents the gain throughout the State, the real increase in the total valuation of contracts was about 4 percent in both Virginia and the Nation.

Reflecting the contracts in Chesterfield and Fairfax Counties, nonresidential contracts increased 36.9 percent in valuation versus 15.8 percent nationally. If both contracts are excluded, the valuation of the State's nonresidential contracts would have declined 4.7 percent.

Residential housekeeping contracts increased 15.8 percent in valuation, fractionally more than nationally. The number of dwelling units started increased 5.2 percent (549 units), to 11,102 units. Nationally, the number of dwelling units started was almost unchanged at a high level. Contracts for residential housekeeping additions and alterations increased 26.0 percent in valuation versus 14.6 percent nationally.

Nonbuilding contracts declined 19.5 percent in valuation, compared with a national increase of 22.2 percent. The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 38.8 percent in the State and 16.3 percent nationally.

Chart 14.—Construction Contracts—Total Valuation

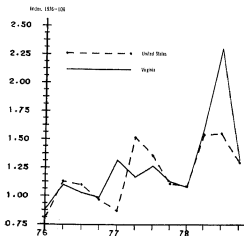


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Virginia

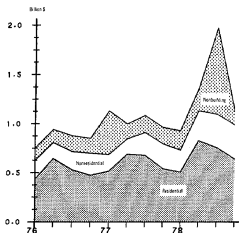


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

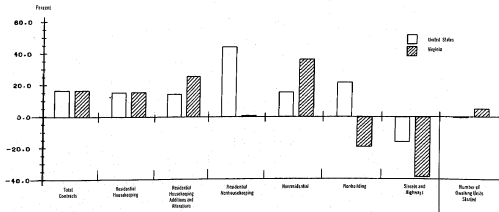


TABLE 6.—Construction Contracts, United States and Virginia Through Fourth Quarter, 1978¹

	United States			Virginia			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:III	1977:IV— 1978:IV
	Not seasonally adjusted						Percent change ²			
Total value of contracts	30,813,311	45,498,773	1,686,702	984,504	1,978,832	1,126,564	14.5	82.3	16.8	36.6
Residential housekeeping, additions and alterations	2,707,987	8,832,353	174,543	153,683	218,418	156,628	18.8	21.3	14.5	26.6
Nonresidential housekeeping	181,453	571,556	36,321	24,429	34,685	27,700	10.8	12.4	16.2	13.4
All other contracts	16,825	14,182	412	383	399	391	-5.1	-3.2	-4.3	2.3
Number of contracts	62,789	58,528	1,470	1,436	1,620	1,450	4.4	15.8	-8.7	-2.5
Value (thousands of dollars)	31,285,124	38,637,459	912,293	867,241	1,987,394	927,836	14.0	53.7	17.4	15.0
Floor area (thousands of square feet)	881,453	971,556	36,321	24,429	34,685	27,700	10.8	12.4	16.2	13.4
Residential housekeeping	14,825	14,182	412	383	399	391	-5.1	-3.2	-4.3	2.3
Number of dwellings units	445,772	443,015	15,479	16,353	13,518	11,102	1.0	-12.7	-3.5	3.2
Value (thousands of dollars)	14,818,598	17,188,518	504,133	374,782	571,863	434,178	15.3	5.5	15.8	39.8
Floor area (thousands of square feet)	578,133	641,795	22,927	16,742	22,895	18,823	10.3	-1	10.7	32.4
Nonresidential housekeeping	507	585	10	15	15	13	-18.0	50.0	-1	-13.3
Value (thousands of dollars)	338,637	490,279	1,830	9,234	16,127	9,338	9.4	84.9	44.8	7
Floor area (thousands of square feet)	8,467	10,560	11	462	529	136	-7	***	24.1	-70.6
All other construction	30,736	27,655	714	761	788	719	-2.5	9.8	-12.6	-6.6
Value (thousands of dollars)	5,324,415	10,816,769	232,506	255,001	341,683	348,671	27.6	48.7	15.8	36.9
Floor area (thousands of square feet)	293,253	319,240	7,383	7,225	10,681	9,742	12.2	44.4	8.5	21.0
Manufacturing	16,781	15,176	324	337	501	346	22.4	58.8	-5.1	2.7
Value (thousands of dollars)	6,852,476	8,127,864	173,898	168,182	278,311	135,349	-1	80.3	22.2	-19.5
Streets and highways	4,586	4,089	140	139	132	86	9.3	-6.4	-17.8	-18.1
Value (thousands of dollars)	2,308,681	1,831,241	95,381	71,241	103,347	43,806	3.0	8.4	-18.3	-18.8

***Percent change greater than 999.9.

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Retail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Virginia totaled \$4.9 billion in 1978:IV, up 11.1 percent (table 7). In 1978:IV, nondurable goods accounted for \$3.3 billion, (\$489 million) since 1977:IV, a fraction less than the national rate of gain (table 7). In 1978:IV, nondurable goods accounted for \$3.3 billion, and durable goods accounted for \$1.6 billion.

TABLE 7.—Retail Sales, United States and Virginia Through Fourth Quarter, 1978

	United States			Virginia			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:III	1977:IV— 1978:IV
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	197,030	219,826	n.a.	4,396	4,561	4,488	39.3	---	11.2	11.3
Durable goods	62,085	71,573	n.a.	n.a.	1,829	1,832	11.8	---	15.3	---
Nondurable goods	134,945	147,417	n.a.	n.a.	2,732	2,656	9.6	---	9.2	---

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Virginia Through Fourth Quarter, 1978

	United States			Virginia			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:III	1977:IV— 1978:IV
	Not seasonally adjusted						Percent change			
New business incorporations	109,411	n.a.	2,387	2,288	2,450	n.a.	8.2	6.2	---	---
Total number of business failures	1,684	n.a.	30	28	26	n.a.	-9.5	-13.3	---	---
Current liabilities (thousands of dollars)	484,296	n.a.	7,250	3,222	17,890	n.a.	-44.2	138.5	---	---
Average liability per failure (thousands of dollars)	288	n.a.	241	166	658	n.a.	-38.4	173.0	---	---
Business failures by industry										
Manufacturing	246	n.a.	2	1	2	n.a.	-10.1	.0	---	---
Retail trade	319	n.a.	8	11	16	n.a.	1.0	29.0	---	---
Food and kindred establishments	191	n.a.	8	9	1	n.a.	-27.1	---	---	---
Transportation and communications	688	n.a.	15	6	12	n.a.	-4.2	-13.3	---	---
Other	238	n.a.	6	2	6	n.a.	-24.0	---	---	---

1. Per.

NOTE.—This table may not be reproduced without the permission of Gann & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

- Personal Income**
- Up 16.2% vs. 12.6% in U.S., to \$33.7 billion
 - Durable manufacturing payrolls up 27.3% vs. 15.2% in U.S.
 - Nondurable manufacturing payrolls down 3.5% due to paper workers' strike
- Consumer prices**
- Up 10.2% in Seattle vs. 8.9% in U.S.
 - Portland index up to 207.8 in 1978:IV (1967=100)
- Employment**
- Up 7.1% vs. 3.9% in U.S., to 1.6 million
- Unemployment**
- Down 21,000, to 103,000
 - Rate down 1.6 percentage points, to 5.9% of labor force vs. 5.5% in U.S.
- Construction**
- Total valuation of contracts up 26.8% vs. 16.8% in U.S., to \$1.0 billion
 - Number of dwelling-unit starts up 2.6% vs. near stability in U.S., to 11,688

TABLE 1.—Summary of Economic Indicators, United States and Washington Through Fourth Quarter, 1978

	United States			Washington			U.S. State U.S.		
	1977:W	1978:W	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	
	All indicators, except income, not seasonally adjusted						Percent change		
Total personal income (millions of dollars)	1,581,508	1,782,519	27,831	28,592	27,782	33,847	12.4	16.2	12.6
Total wages and salaries (millions of dollars)	1,611,236	1,746,686	17,716	18,522	20,613	21,598	12.1	16.7	17.6
Civilian employment (thousands)	92,442	96,019	1,533	1,532	1,664	1,641	4.1	8.6	3.9
Unemployment (thousands)	8,149	5,605	143	124	164	189	-8.8	-27.3	-8.8
Percent unemployed (unemployment/labor force)	6.2	5.8	8.5	7.5	9.9	5.3	—	—	—
Total loans (millions of dollars)	616,502	n.a.	8,563	9,018	10,618	n.a.	16.3	24.8	—
Total deposits (millions of dollars)	925,511	n.a.	11,822	12,283	13,567	n.a.	11.5	17.7	—
Total valuation of construction contracts (thousands of dollars)	38,913,111	45,654,773	964,751	835,540	1,553,207	1,046,520	14.8	61.8	16.8
Dwelling units started (number)	445,732	443,075	15,770	11,285	12,927	11,688	1.0	-15.1	-8
Total retail sales (millions of dollars)	187,000	210,020	n.a.	n.a.	n.a.	n.a.	10.3	—	11.2
New business incorporations (number)	189,411	n.a.	2,287	1,847	2,217	n.a.	8.2	3.2	—
Business failures (number)	1,684	n.a.	59	63	26	n.a.	-9.5	-25.0	—
Consumer Price Index (1967=100):									
U.S. city average	185.3	201.8	—	—	—	—	7.5	—	8.9
Portland	—	—	—	—	202.2	207.8	—	—	—
Seattle	—	—	180.7	182.5	196.3	201.1	—	9.7	—

n.a.: Data not available.

Source: See tables 2 through 8.

Chart 3.—Total Personal Income
[Seasonally adjusted]

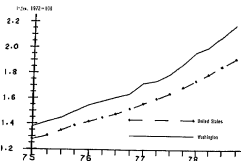


Chart 4.—Industrial Composition of Wages and Salaries: Washington
[Seasonally adjusted]

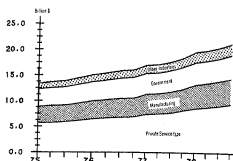


TABLE 2.—Personal Income, United States and Washington Through Fourth Quarter, 1978

	United States					Nonliving					U.S. State					U.S. State				
	1977-79					1977-79					1977-79					1977-79				
	1977-79	1978-79	1977-79	1978-79	1977-79	1978-79	1977-79	1978-79	1977-79	1978-79	1977-79	1978-79	1977-79	1978-79	1977-79	1978-79				
	Billions of dollars, seasonally adjusted at annual rates ¹										Percent change ²									
Total personal income	1,983,908	1,792,509	27,831	28,992	32,352	33,687	124	162	124	162										
Nonpersonal income	31,224	39,451	574	704	1,099	1,300	47.9	91.6	26.3	85.0										
Personal income	1,952,684	1,753,058	27,257	28,285	31,253	32,387	113.9	147.3	122.3	143.5										
Total personal income	1,983,908	1,792,519	27,831	28,992	32,352	33,687	124	162	124	162										
and salary disbursements	1,912,218	1,740,605	17,710	18,572	20,673	21,208	12.1	16.7	12.6	16.3										
Nonlabor income	98,816	111,719	1,299	1,534	1,595	1,668	7.0	23.7	16.4	29.6										
Nonlabor income	106,853	125,095	7,110	2,276	2,871	3,163	21.5	36.1	18.9	38.0										
Nonlabor income	22,636	31,044	316	446	818	1,024	68.6	158.7	35.3	129.3										
Nonlabor income	82,211	94,591	1,293	1,835	2,063	2,148	12.8	14.5	15.3	17.4										
Nonlabor income	214,982	245,448	3,722	3,879	4,330	4,330	12.5	12.0	12.8	12.5										
Nonlabor income	235,044	231,750	3,392	3,229	2,428	2,428	8.8	7.8	4.2	7.8										
Nonlabor income	11,128	7,753	235	215	151	137	-24.0	-35.9	-20.3	-27.1										
Nonlabor income	62,212	71,610	1,215	1,327	1,548	1,548	34.8	21.4	18.3	19.8										
Nonlabor income	-491	-473	353	363	352	374														
and salary disbursements	1,912,218	1,740,605	17,710	18,572	20,673	21,208	12.1	16.7	12.6	16.3										
Nonlabor income	7,176	7,539	252	255	274	283	8.5	8.1	10.6	12.1										
Nonlabor income	1,000,040	1,132,787	17,458	18,267	20,399	21,210	12.1	16.8	12.6	16.2										
Nonlabor income	14,048	18,813	39	40	55	61	26.5	4.2	33.9	56.0										
Nonlabor income	55,468	66,858	1,271	1,333	1,651	1,733	19.1	29.9	25.1	38.9										
Nonlabor income	796,117	713,750	4,221	3,627	3,684	3,612	12.1	18.0	13.3	16.8										
Nonlabor income	176,105	190,053	2,267	2,028	2,063	2,055	13.7	19.1	15.2	17.3										
Nonlabor income	368,912	313,554	1,154	1,154	1,154	1,154	4.8	4.8	4.8	4.8										
Nonlabor income	459,204	515,348	7,775	8,222	9,253	9,623	12.8	19.0	13.1	17.0										
Nonlabor income	76,588	85,264	1,395	1,361	1,507	1,680	10.4	16.3	13.1	17.7										
Nonlabor income	178,888	195,035	3,189	3,354	3,763	3,960	13.6	16.8	14.0	16.5										
Nonlabor income	54,832	61,663	851	928	1,058	1,045	14.1	24.3	13.2	18.0										
Nonlabor income	193,884	213,394	2,438	2,549	2,925	3,049	12.6	19.9	12.7	17.1										
Nonlabor income	206,252	215,983	4,317	4,323	4,433	4,448	7.4	7.2	6.5	6.5										
Nonlabor income	18,175	71,983	1,570	1,883	1,695	1,790	17.3	7.1	11.8	11.8										
Nonlabor income	143,980	2,581	2,880	2,745	2,860	2,745	7.5	7.1	6.1	6.1										
Nonlabor income	133,076	1,885	116	122	142	142	17.2	23.0	14.6	15.1										

Detail may not add to totals because of rounding.
Based on extended data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Washington Through Fourth Quarter, 1979

	United States and Washington through 1949; General, 1950									
	United States			Washington			U.S. State		U.S. State	
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III- 1978-III		1977-IV- 1978-IV	
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ^a	105.3	106.1	---	---	---	---	7.3	---	8.3	---
Washington	---	---	---	---	202.2	207.9	---	---	---	---
State	---	---	---	---	187.5	186.1	---	9.3	---	NA

Source: Bureau of Economic Analysis, U.S. Department of Commerce. Price indexes are shown for the most relevant SIC(s) for which data are available. Weighted average for 85 representative urban areas based on the 1970 Census of Population. U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Washington's civilian labor force increased 5.2 percent, one of the largest State advances in the Nation (table 4). Total employment increased from 1.5 million to 1.6 million, a 7.1 percent advance. Washington's advance was exceeded only by West Virginia's and was more than 3 percentage points above the national average advance.

With employment increasing by 109,000 and the labor force increasing by only 88,000, the number of unemployed declined by 21,000. The

unemployment rate declined 1.6 percentage points, to 5.9 percent of the labor force. While in 1977:IV, Washington's unemployment rate was 1.3 percentage points above the Nation's rate, in 1978:IV, it was only 0.4 percentage point above the Nation's rate.

Across the State, unemployment rates varied somewhat. According to preliminary data for December 1978, unemployment rates in the State's major metropolitan areas ranged from 5.1 percent in Seattle-Everett to 6.9 percent in Tacoma; the preliminary State rate was 6.7 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV
Washington

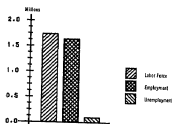


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

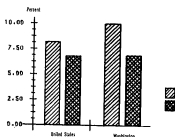


TABLE 4.—Labor Force, United States and Washington Through Fourth Quarter, 1978

	United States			Washington			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:II— 1978:II	1977:IV— 1978:IV	1977:II— 1978:II	1977:IV— 1978:IV
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,210	87,208	1,364	1,370	1,467	1,486	4.3	7.8	4.2	6.5
Manufacturing	787	809	2	2	2	3	8.2	9.1	16.7	13.6
Construction	4,032	4,188	80	79	83	92	30.4	15.8	11.3	16.0
Transportation, communication, and public utilities	19,986	20,722	274	264	285	237	3.1	7.9	3.7	12.5
Wholesale and retail trade	4,701	4,971	89	78	84	88	3.6	5.8	4.4	10.3
Finance, insurance, and real estate	19,132	20,085	335	343	365	371	5.3	8.7	4.5	9.0
Services	4,892	4,796	77	77	84	84	4.8	9.0	-2.0	8.5
Government	15,539	16,215	293	291	279	273	4.8	8.5	4.4	8.9
Unemployed	15,434	15,856	293	284	279	281	2.1	2.8	1.4	2.5
Civilian labor force ³	99,644	103,064	1,657	1,654	1,746	1,767	3.2	5.5	3.1	5.2
Total employed	82,412	86,018	1,533	1,532	1,664	1,643	4.1	8.6	2.9	7.1
Total unemployed	6,149	5,805	143	124	104	103	-9.8	-27.3	-8.6	-17.5
Unemployment rate	6.2	5.5	8.5	7.5	5.9	5.9				

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This notes a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

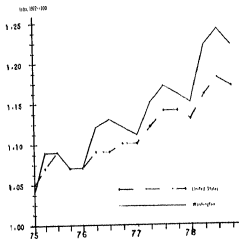


Chart 8.—Civilian Employment

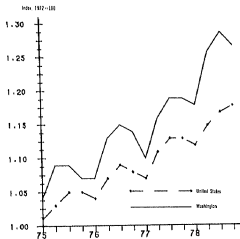


Chart 9.—Unemployment Rate

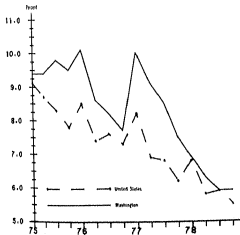
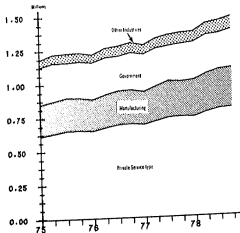


Chart 10.—Industrial Composition of Nonagricultural Employment: Washington



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Washington Through Fourth Quarter, 1978

	United States			Washington			U.S. State		U.S. State		
							1977 III—		1977 IV—		
	1977 IV	1978 IV	1977 III	1977 IV	1978 III	1978 IV	1977 III—	1978 III	1977 IV—	1978 IV	1978 IV
	Millions of dollars, not seasonally adjusted ¹						Percent change ²				
Total loans	\$10,582	n.a.	8,563	9,808	16,838	n.a.	56.3	34.0	—	—	—
Commercial and industrial	196,307	n.a.	3,149	3,389	3,681	n.a.	14.2	16.9	—	—	—
Loans to individuals	142,589	n.a.	2,075	2,167	2,767	n.a.	26.2	35.4	—	—	—
Real estate	177,935	n.a.	2,254	2,386	2,867	n.a.	19.9	38.6	—	—	—
Residential	932,256	n.a.	1,326	1,409	1,646	n.a.	21.3	24.2	—	—	—
Farms	7,751	n.a.	37	38	44	n.a.	10.7	17.6	—	—	—
Other	86,958	n.a.	896	936	1,213	n.a.	19.4	35.4	—	—	—
Other, excluding real estate	25,704	n.a.	504	477	598	n.a.	8.8	11.8	—	—	—
Other	61,947	n.a.	581	572	713	n.a.	8.6	22.7	—	—	—
Total deposits	928,511	n.a.	11,522	12,263	12,557	n.a.	11.5	17.7	—	—	—
Demand	377,883	n.a.	4,580	4,826	5,145	n.a.	10.2	12.3	—	—	—
Time and savings	547,828	n.a.	6,942	7,277	8,412	n.a.	12.3	21.2	—	—	—

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of contracts in Washington rose 26.8 percent, exceeding the Nation's gain by 10.0 percentage points, to \$1.0 billion (table 6). National construction costs rose about 13 percent during the same timespan; if this rise reflects the change throughout Washington, the real total valuation of contracts in the State rose about 14 percent versus a national rise of about 4 percent.

The valuation of nonresidential contracts rose 47.0 percent versus 15.8 percent nationally, to \$283 million in 1978:IV. Washington's gain was exceeded by gains in only five States.

The valuation of residential housekeeping contracts rose 26.0 percent, over 10 percentage points more than nationally, to \$463 million. The dollar gain in the valuation of residential housekeeping contracts accounted for about 40 percent of the State's year-to-year gain in the total

valuation of contracts. The number of dwelling units started rose 2.6 percent, or 300 units, to 11,700. Nationally, in contrast, the number of dwelling units started was almost unchanged at a high level. The valuation of contracts for additions and alterations to residential housekeeping units rose 26.3 percent versus 14.6 percent in the Nation, to \$178 million.

Street and highway contracts rose 34.1 percent in valuation from year to year, in sharp contrast with a 16.3-percent decline nationally. The valuation of all nonbuilding contracts (including streets and highways) declined 18.8 percent. Nationally, all nonbuilding contracts rose 22.2 percent in valuation.

Chart 14.—Construction Contracts—Total Valuation

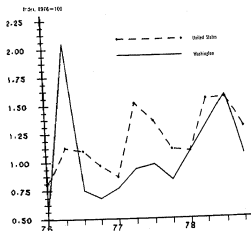


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Washington

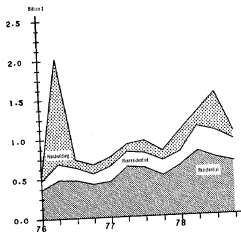


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

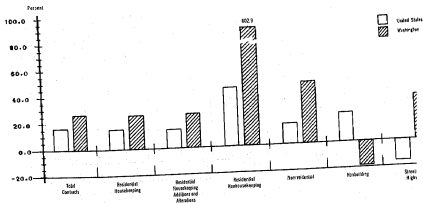


TABLE 6.—Construction Contracts, United States and Washington Through Fourth Quarter, 1978¹

	United States			Washington			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:III	
	Not seasonally adjusted						Percent change ²			
Total value of contracts.....	26,913,311	45,459,773	964,751	825,569	1,553,287	1,846,520	14.5	41.0	85.8	26.1
Residential housekeeping, additions and alterations:										
Value (thousands of dollars).....	7,187,987	8,832,353	146,564	141,323	990,353	176,473	16.8	29.9	14.5	36.3
All other contracts:										
Number of contracts.....	42,380	56,926	1,077	824	1,326	1,937	4.4	23.1	-9.3	5.6
Value (thousands of dollars).....	31,295,324	36,627,420	818,247	684,237	1,362,934	968,047	14.0	66.6	17.4	26.1
Floor area (thousands of square feet).....	881,453	971,598	23,295	18,184	26,549	25,734	18.8	16.1	16.2	33.5
Residential housekeeping:										
Number of contracts.....	14,825	14,182	329	265	270	273	-5.1	-15.9	-4.3	3.3
Value (thousands of dollars).....	445,772	443,675	15,226	11,395	12,827	11,688	1.0	-15.1	-6	2.1
Floor area (thousands of square feet).....	14,879,585	17,198,518	466,713	367,889	576,000	462,636	15.3	12.3	15.6	26.0
Floor area (thousands of square feet).....	579,733	641,796	16,868	12,992	17,272	15,452	10.3	2.8	10.7	39.0
Residential nonhousekeeping:										
Number of contracts.....	587	508	10	12	7	9	-18.0	-39.0	-4	-25.0
Value (thousands of dollars).....	336,637	493,279	4,680	3,348	5,927	23,286	9.4	46.0	44.8	67.9
Floor area (thousands of square feet).....	8,467	10,569	146	138	127	534	-7	-13.1	24.7	58.5
Nonresidential:										
Number of contracts.....	36,756	27,655	448	437	599	516	-2.5	26.1	-12.0	36.1
Value (thousands of dollars).....	9,334,415	18,816,769	187,700	192,645	343,798	283,292	27.6	87.2	15.8	47.0
Floor area (thousands of square feet).....	291,253	319,240	6,293	5,064	9,541	7,746	12.2	52.7	8	53.0
Manufacturing:										
Number of contracts.....	14,781	15,176	396	218	450	269	22.4	47.1	-9.5	-5
Value (thousands of dollars).....	4,652,476	4,137,854	155,714	121,385	487,125	98,323	-1.1	205.0	32.2	-13.1
Streets and highways:										
Number of contracts.....	4,885	4,069	116	63	149	77	9.3	28.4	-17.8	27.2
Value (thousands of dollars).....	2,336,681	1,931,241	53,869	27,757	59,332	32,216	3.0	18.6	-16.3	34.1

1. Contracts started or expected to start within 60 days.
2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Washington are not available.

TABLE 7.—Retail Sales, United States and Washington Through Fourth Quarter, 1978

	United States			Washington			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:III	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales.....	197,030	210,020	n.a.	n.a.	n.a.	n.a.	16.3	—	11.2	—
Durable goods.....	62,045	71,573	n.a.	n.a.	n.a.	n.a.	11.8	—	15.3	—
Nondurable goods.....	134,985	147,447	n.a.	n.a.	n.a.	n.a.	9.6	—	9.2	—

n.a.: Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Washington Through Fourth Quarter, 1978

	United States			Washington			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:III— 1978:III	
	Not seasonally adjusted						Percent change			
Business incorporations.....	108,411	n.a.	2,207	1,887	2,277	n.a.	8.2	3.2	—	—
Number of business failures.....	1,984	n.a.	59	65	26	n.a.	-9.5	-55.9	—	—
Assets (thousands of dollars).....	484,293	n.a.	7,214	8,530	6,342	n.a.	-44.2	-10.6	—	—
Assets per failure (thousands of dollars).....	288	n.a.	124	131	252	n.a.	-38.4	103.2	—	—
Business failures by industry:										
Manufacturing.....	348	n.a.	5	2	3	n.a.	-10.1	-40.6	—	—
Retail trade.....	318	n.a.	14	18	5	n.a.	1.0	-64.3	—	—
Wholesale trade.....	150	n.a.	8	4	4	n.a.	-27.1	-92.0	—	—
Finance.....	688	n.a.	19	23	8	n.a.	-6.2	-57.9	—	—
Other.....	238	n.a.	13	18	6	n.a.	-24.0	-53.8	—	—

n.a.: Not available.
Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal income	—Up 10.9% vs. 12.6% in U.S., to \$12.8 billion —Payrolls up 5.0% in nondurables manufacturing vs. 10.0% in U.S. and 10.2% in trade vs. 14.1% in U.S. —Payrolls down 2.9% in services vs. 12.7% increase in U.S.
Consumer prices	—Up 10.6% in Pittsburgh vs. 8.9% in U.S.
Employment	—Up 8.0% vs. 3.9% in U.S., to 707,000
Unemployment	—Down 5,000, to 40,000 —Rate down to 5.3% of labor force vs. 5.5% U.S. rate
Construction	—Total valuation of contracts up 19.5% vs. 16.8% in U.S., to \$257.7 million —Number of dwelling-unit starts up 152.1% vs. near stability in U.S., to 2,143

Analysis

Personal Income

total personal income (seasonally adjusted at annual rates) increased 10.9 percent from 1977:IV to 1978:IV, the smallest increase in the Southeast region (table 2). Nationally, personal income increased 12.6 percent from year to year. In 1978:IV, West Virginia's personal income totaled \$12.8 billion, up \$1.3 billion since 1977:IV.

The State's nonfarm personal income increased 10.9 percent from year to year versus 12.3 percent nationally. Since the most recent national business cycle peak in 1973:IV, West Virginia's economy has grown more rapidly than the Nation's; the increase in the State's nonfarm income was 14 percent more than nationally, ranking West Virginia 14th among all States.

From 1977:IV to 1978:IV, the Consumer Price Index for the Pittsburgh metropolitan area increased 10.6 percent versus an 8.9-percent national average increase (table 3). If Pittsburgh's index is used as an indicator for price movements in the State, real total personal income in West Virginia remained almost unchanged from year to year versus a 1-percent national increase.

Wage and salary disbursements (payrolls) increased 10.3 percent in the State versus 12.6 percent nationally. West Virginia's increase was one of the smallest in the Nation. In 1978:IV, payrolls totaled \$8.1 billion in the State, up \$753 million since 1977:IV.

Within West Virginia's private service-type industry group, payrolls declined in one component and sharply lagged national increases in all other components. A year-to-year payroll decline of 2.9 percent in the State's services payrolls compared unfavorably with a national increase of 12.7 percent; West Virginia was the only State with a decline. Payrolls increased 5.5 percent in the State's transportation-communication-public utilities component versus 11.3 percent nationally, 10.2 percent in trade versus 14.1 percent nationally, and 8.4 percent in finance-insurance-real estate versus 13.2 percent nationally. All three State increases ranked among the smallest in the Nation in their respective categories.

In manufacturing, nondurable goods payrolls increased only 5.0 percent in the State, one of the smallest increases among all States, compared with a national increase of 10.0 percent. In contrast, durable goods manufacturing payrolls in West Virginia increased 15.4 percent from year to year, a fraction more than nationally.

Construction payrolls in the State declined 1.1 percent versus a national increase of 20.1 percent; only one other State, Alaska, registered a decline. Mining payrolls in West Virginia increased 30.4 percent from year to year, 3.5 percentage points less than nationally.

State and local government payrolls increased 6.8 percent, the same as nationally. Federal Government payrolls increased 7.2 percent in the State, a fraction more than nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits declined 34.2 percent in West Virginia and 30.3 percent throughout the Nation.

Chart 1.—Personal Income, Percent Change, 1977:IV—1978:IV
(Seasonally adjusted)

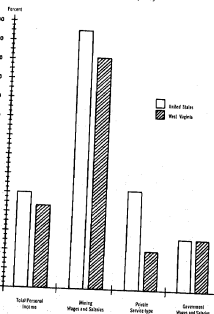


Chart 2.—Consumer Price Index, Percent Change, 1977:IV—1978:IV

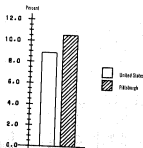


Chart 3.—Total Personal Income
(Seasonally adjusted)

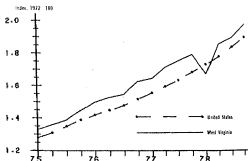


Chart 4.—Industrial Composition of Wages and Salaries: West Virginia
(Seasonally adjusted)

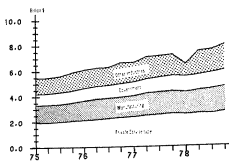


TABLE 2.—Personal Income, United States and West Virginia Through Fourth Quarter, 1978

	United States			West Virginia			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:III— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,583,500	1,762,519	1,126	15,579	12,718	12,825	12.4	6.8	12.6	10.9
Fair personal income	31,224	38,482	58	21	22	21	47.9	22.4	26.1	-1.5
Nonfair personal income	1,552,276	1,724,037	1,118	15,549	12,196	12,804	11.9	8.7	12.9	10.9
Total personal income	1,583,500	1,762,519	1,126	15,579	12,718	12,825	12.4	6.8	12.6	10.9
Wage and salary disbursements	1,013,216	1,140,896	7,225	2,315	2,683	8,078	12.1	6.3	12.6	10.3
Other labor income	96,016	111,719	543	859	1,034	1,034	17.0	13.5	16.4	18.1
Proprietors' income	109,953	125,995	421	612	687	726	21.5	10.7	18.9	14.6
Farm	21,836	31,644	8	12	13	12	66.6	55.1	31.3	-4.9
Nonfarm	82,317	94,551	613	620	674	714	12.8	10.9	19.8	15.7
Dividends, interest, and rent	214,882	242,442	1,580	1,207	1,310	1,358	12.3	11.4	12.8	12.0
Transfer payments	215,544	233,750	2,854	2,141	2,293	2,318	8.8	11.6	8.2	8.2
State unemployment insurance benefits	11,128	7,753	53	302	68	68	-24.0	51.7	-50.9	-34.2
Less personal contributions	62,212	71,518	460	465	493	516	14.8	7.3	15.1	12.6
Plus residence adjustment	-461	-475	-137	-134	-124	-143	—	—	—	—
Wage and salary disbursements	1,013,216	1,140,896	7,225	2,315	2,683	8,078	12.1	6.3	12.6	10.3
Farm	7,136	7,339	9	9	9	9	—	-7.0	10.6	3.3
Nonfarm	1,006,080	1,133,557	7,216	2,306	2,674	8,010	12.1	6.4	12.6	10.2
Mining	14,948	18,813	1,710	1,127	1,314	1,436	26.5	18.4	23.9	20.4
Construction	55,648	68,858	567	560	495	563	19.1	-13.3	20.1	-8.3
Manufacturing	236,112	312,910	1,809	1,798	1,978	2,001	12.1	8.9	13.3	11.3
Durable goods	176,215	202,493	1,114	1,082	1,229	1,259	13.7	11.2	15.2	15.4
Non-durable goods	99,896	109,917	695	716	749	741	9.4	5.2	10.0	5.0
Private service-type	455,764	515,340	2,552	2,625	2,609	2,361	17.8	2.2	13.1	5.2
Transportation, communication, and public utilities	78,598	85,264	614	632	594	664	15.4	-3.2	11.0	5.5
Wholesale and retail trade	126,898	195,835	1,014	1,037	1,096	1,143	14.1	10.2	13.2	8.4
Finance, insurance, and real estate	54,852	61,653	700	724	745	724	12.6	-3.6	12.7	-2.5
Services	103,600	173,296	734	745	1,281	1,799	7.4	9.5	6.9	6.9
Government	200,252	215,683	1,168	1,215	1,281	1,281	7.3	7.2	7.0	7.2
Federal	96,176	75,001	245	258	263	216	7.3	2.5	10.1	6.8
State and local	104,076	140,682	924	958	1,018	1,065	9.5	10.7	21.1	14.6
Other	7,216	3,085	8	8	9	9	—	—	—	—

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

1. Behalf may not add to totals because of rounding.
2. Based on unrounded data.

TABLE 3.—Consumer Price Index, United States and West Virginia Through Fourth Quarter, 1978¹

	United States			West Virginia			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:III— 1978:III	1977:IV— 1978:IV	1977:IV— 1978:IV
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ²	105.3	261.8	146.8	101.5	199.1	202.5	7.8	—	1.9	—
Pittsburgh	—	—	—	—	—	—	—	—	—	—

Pittsburgh

Consumer Price Indexes are shown for the most relevant SMSAs for which data are available.

1. Consumer Price Indexes are based on the 1970 Census of Population.

NOTE.—Quarterly data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, West Virginia's civilian labor force increased 6.8 percent, well over two times the national rate of gain (table 4). West Virginia's increase was the second largest in the Nation, after Alaska's 8.8-percent increase. Total employment increased 8.0 percent, more than in any other State, to 707,000. The national increase was 3.9 percent.

The sharp increases in West Virginia reflect, to a considerable extent, the relatively depressed labor force and employment levels of 1977:IV. In December 1977, a strike of unionized coal miners began, negatively affecting labor force and employment levels through March 1978, when the strike ended.

With employment increasing by 52,000 and the labor force by 47,000, the number of unemployed declined by 11,000. West Virginia's unemployment rate declined 1.1 percentage point from 5.5 percent of the labor force. The national unemployment rate was 5.5 percent, down 0.7 percentage point from 6.2 percent.

Among West Virginia's major metropolitan areas, unemployment rates for December 1978, when it was 5.7 percent, ranged from 5.7 percent in Wheeling, Charleston. From December 1977 to December 1978, rates declined sharply in all major metropolitan areas, with a decline especially large in Wheeling, 3.3 percentage points.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV, West Virginia

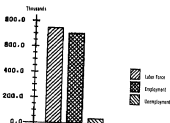


Chart 6.—Unemployment Rates, 1977:IV - 1978:IV

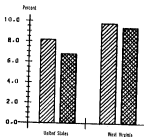


TABLE 4.—Labor Force, United States and West Virginia Through Fourth Quarter, 1978

	West Virginia, Fourth Quarter, 1978						U.S.	%
	United States			West Virginia				
	1977:IV	1978:IV	1977:IV	1977:IV	1978:IV	1978:IV		
	Thousands of persons, not seasonally adjusted ¹							
Employees in nonagricultural payrolls								
Mining	84,216	81,788	634	608	621	538	4.3	1.1
Construction	287	896	66	56	89	75	8.2	4.4
Manufacturing	4,352	4,488	40	39	40	42	10.4	-1.1
Transportation, communication, and public utilities	18,986	20,727	126	125	175	126	3.1	-1.1
Wholesale and retail trade	4,761	4,871	41	40	38	42	3.8	-4.4
Finance, insurance, and real estate	39,152	20,065	123	124	124	129	5.3	0.5
Services	4,682	4,798	20	20	20	21	4.8	2.0
Government	15,539	16,215	87	87	88	86	4.8	1.1
Civilian labor force ²	15,474	15,808	111	114	116	115	2.1	4.0
Total labor force	99,690	97,596	715	722	737	753	3.2	3.0
Total employed	82,442	86,810	657	655	689	707	4.1	3.1
Total unemployed	17,248	10,786	58	67	48	46	4.8	1.1
Percent unemployed	17.3	11.0	8.1	9.3	6.5	6.1	5.3	1.1

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time. Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

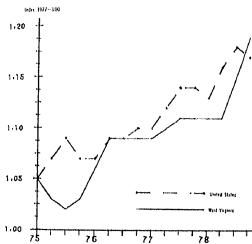


Chart 8.—Civilian Employment

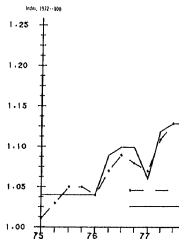


Chart 9.—Unemployment Rate

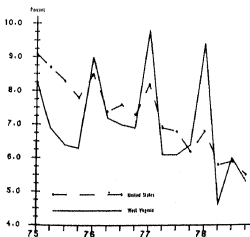
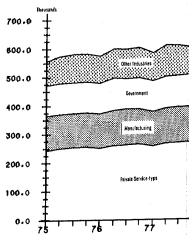


Chart 10.—Industrial Composition of Nonagricultural Employment



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and West Virginia Through Fourth Quarter, 1978

	United States			West Virginia			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:II	1977:IV	1978:II	1978:IV	1977:III— 1978:II		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	618,582	n.a.	4,124	4,327	4,978	n.a.	26.3	18.2	---	---
Commercial and industrial	156,317	n.a.	663	687	796	n.a.	14.2	14.1	---	---
Loans to individuals	148,599	n.a.	1,538	1,618	1,836	n.a.	20.2	14.9	---	---
Real estate	177,935	n.a.	1,789	1,880	2,285	n.a.	19.9	26.1	---	---
Residential	101,236	n.a.	1,270	1,354	1,628	n.a.	21.3	28.2	---	---
Other	7,731	n.a.	71	75	84	n.a.	10.7	17.6	---	---
Other	68,988	n.a.	468	470	543	n.a.	19.0	29.3	---	---
Farms, including real estate	25,706	n.a.	34	34	35	n.a.	6.8	3.2	---	---
Other	68,947	n.a.	91	90	95	n.a.	8.0	5.2	---	---
Total deposits	905,581	n.a.	6,707	6,986	7,258	n.a.	11.5	8.2	---	---
Demanded	377,683	n.a.	2,818	2,808	2,178	n.a.	10.2	6.9	---	---
Time and savings	547,828	n.a.	4,659	4,773	5,080	n.a.	12.3	8.8	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts increased 19.5 percent (\$42.1 million), to \$257.7 million (table 6). The national increase was 16.3 percent. National construction costs increased about 13 percent during the same timespan, and if this increase is representative of the increase in the State, the real increase in the total valuation of contracts in West Virginia was more than 6 percent versus about 4 percent nationally.

Residential housekeeping contracts increased 162.0 percent in valuation versus 15.6 percent nationally. To a considerable extent, West Virginia's strong increase, the largest State increase in the Nation, reflected an unusually low valuation in 1977:IV, following a period of numerous wildcat strikes that affected thousands of coal miners. The number of dwelling units started increased 152.1 percent, or 1,281 units, to 2,123.

Nationally, in contrast, the number of dwelling units started was almost unchanged at a high level. Contracts for residential housekeeping additions and alterations increased 30.0 percent in valuation, twice as much as nationally. West Virginia's increase was one of the largest in the Nation.

Nonbuilding contracts declined 6.9 percent in valuation, compared with a national increase of 22.2 percent. The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 36.3 percent in the State and 16.3 percent nationally.

Nonresidential contracts declined 32.6 percent in valuation, one of the largest declines among all States. Nationally, nonresidential contracts increased 15.8 percent.

Chart 14.—Construction Contracts—Total Valuation

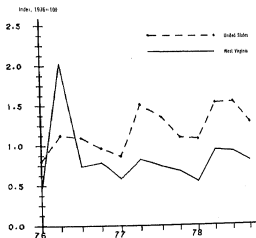


Chart 15.—Construction Contracts—Valuation of Contracts by Type West Virginia

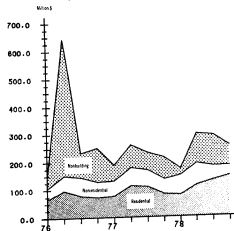


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

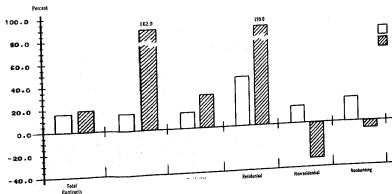


TABLE 6.—Construction Contracts, United States and West Virginia Through Fourth Quarter, 1978*

	United States			West Virginia			U.S.	State	U.S.	State
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV				
	Not seasonally adjusted								Percent change ¹	
Total value of contracts	38,913,111	45,450,773	233,806	235,879	296,087	257,733	14.5	36.6	16.8	19.5
Residential housekeeping, additions and alterations:										
Value (thousands of dollars)	7,707,987	8,832,353	95,588	92,588	73,511	68,340	16.8	12.2	14.6	30.6
Other contracts:										
Number of contracts	62,789	55,658	538	448	634	430	4.4	14.1	-6.2	-4.6
Value (thousands of dollars)	31,295,124	36,627,450	168,258	165,042	222,496	189,293	14.0	32.2	17.4	16.1
Floor area (thousands of square feet)	881,453	971,556	3,464	2,438	3,732	3,968	10.8	9.6	18.2	60.3
Nonresidential housekeeping:										
Number of contracts	14,925	14,162	186	186	178	185	-5.1	7.2	-4.3	11.4
Value (thousands of dollars)	445,772	443,075	1,348	842	1,748	2,023	1.0	26.7	-5.6	102.1
Floor area (thousands of square feet)	14,879,596	17,186,988	43,138	28,922	57,490	75,769	15.3	31.3	15.6	162.9
Residential nonhousekeeping:										
Number of contracts	579,733	641,396	1,775	1,374	2,246	2,081	30.3	28.7	10.7	145.5
Value (thousands of dollars)	587	905	3	2	4	3	-10.0	33.3	-4	58.0
Floor area (thousands of square feet)	338,637	498,279	581	1,268	834	3,588	9.4	59.0	44.8	193.0
Nonresidential:										
Number of contracts	8,457	10,560	13	76	12	98	-7	-4.7	24.7	28.4
Value (thousands of dollars)	30,716	27,655	137	139	121	109	-2.5	-11.7	-12.0	-26.6
Floor area (thousands of square feet)	4,374,415	16,810,758	61,264	53,705	51,295	36,195	27.6	-16.7	15.8	-32.5
Nonbuilding:										
Number of contracts	293,253	315,548	1,687	1,149	1,472	830	12.2	-8.9	8.8	-27.3
Value (thousands of dollars)	16,701	35,176	232	141	313	133	22.4	34.1	-9.1	-5.7
Streets and highways:										
Number of contracts	6,632,476	8,127,854	63,015	79,255	112,787	73,821	-1	79.0	22.2	-5.9
Value (thousands of dollars)	4,968	4,690	171	65	173	53	9.3	1.2	-17.8	-18.5
Value (thousands of dollars)	2,364,691	1,933,343	27,827	51,877	44,336	33,041	3.0	64.8	-16.3	-26.3

***Percent change greater than 999.9.

1. Contracts started or expected to start within 60 days.

2. Percent change for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Data for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for West Virginia are not available.

TABLE 7.—Retail Sales, United States and West Virginia Through Fourth Quarter, 1978

	United States						West Virginia			U.S.	State	U.S.	State
	1977-IV	1978-IV	1977-III	1977-IV	1978-III	1978-IV	1977-III - 1978-III						
Millions of dollars, not seasonally adjusted								Percent change					
Retail sales	397,830	215,826	n.a.	n.a.	n.a.	n.a.	16.3	---	11.2	---			
Durable goods	62,005	71,533	n.a.	n.a.	n.a.	n.a.	17.8	---	15.3	---			
Nondurable goods	134,965	147,447	n.a.	n.a.	n.a.	n.a.	9.5	---	9.7	---			
Data not available.													

--- Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and West Virginia Through Fourth Quarter, 1978

	United States						West Virginia			U.S. 1977:III- 1978:III	State 1977:III- 1978:III	U.S. 1977:III- 1978:III	State 1977:III- 1978:III	
	1977:IV		1978:IV		1977:III		1978:III							
	1977:IV	1978:IV	1977:III	1978:III	1977:IV	1978:IV	1977:III	1978:III						
Not seasonally adjusted													Percent change	
incorporations.....	109,411	n.a.	604	618	257	n.a.	8.2	-7.8	---	---	---	---		
business failures.....	1,584	n.a.	99	5	7	n.a.	-9.5	-30.0	---	---	---	---		
value (dollars).....	494,296	n.a.	636	386	405	n.a.	-44.2	-51.6	---	---	---	---		
value (thousands of dollars).....	388	n.a.	84	77	58	n.a.	-36.4	-31.9	---	---	---	---		
by industry.....														
R.....	248	n.a.	1	0	1	n.a.	-10.1	.0	---	---	---	---		
W.....	309	n.a.	3	1	2	n.a.	1.0	-33.3	---	---	---	---		
T.....	191	n.a.	0	0	1	n.a.	-21.3	---	---	---	---	---		
F.....	686	n.a.	4	2	3	n.a.	-4.2	-25.8	---	---	---	---		
O.....	238	n.a.	2	2	1	n.a.	-24.0	-50.0	---	---	---	---		

n.a. Not available.
Source: IRS.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1977:IV to 1978:IV

Personal Income

- Up 10.9%, 1.7 percentage points less than in U.S.
- Large decline in farm income
- Nonfarm income up 12.2%, about the same as in U.S.

Consumer prices

- Up 10.5% in Milwaukee vs. 8.9% in U.S.

Employment

- Up 4.3% vs. 3.9% in U.S., to 2.2 million

Unemployment

- Up between 17,000 and 18,000, to 116,000
- Rate up to 4.9% of labor force vs. 5.5% U.S. rate

Construction

- Total valuation of contracts down 2.5% vs. an increase of 16.8% in U.S., to \$844 million
- Weakness in all major construction categories in State
- Number of dwelling-unit starts down 24.1% vs. little change in U.S., to 8,775

Retail sales

- Up 13.1% vs. 11.2% in U.S., to \$4.8 billion

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 10.9 percent from 1977:IV to 1978:IV, 1.7 percentage points less than nationally (table 2). In 1978:IV, Wisconsin's total personal income was \$36.9 billion, for an increase of \$3.6 billion since 1977:IV. Farm income declined 17.7 percent in Wisconsin, in sharp contrast to a national increase of 26.3 percent. Among all States, only four had sharper declines. Nonfarm personal income in Wisconsin increased 12.2 percent, about the same as in the Nation.

Since the last national business cycle peak (1973:IV), Wisconsin's nonfarm economic growth has been about the same as in the Nation; among all States, its nonfarm income increase ranked 32nd.

Consumer prices from 1977:IV to 1978:IV in the metropolitan area increased 10.5 percent versus a national 8.9 percent (table 3). If Milwaukee's index is used as all price movements in the State, real total personal income increased only 0.4 percent versus 3.7 percent nationally.

Wage and salary disbursements (payrolls) increased 12.5 percent in Wisconsin, about the same as in the Nation. In 1978:IV, payroll was \$23.2 billion, up \$2.5 billion since 1977:IV.

Manufacturing payrolls increased 13.8 percent in the State, 9 percent in the Nation. Increases in both durable and nondurable manufacturing were somewhat above increases in other industries nationally.

Private service-type industry payrolls increased 12.4 percent in Wisconsin versus 13.1 percent in the Nation. Weakness was evident in transportation-communication-public utilities and insurance-real estate. In contrast, the increase in services in Wisconsin was larger in the State than in the Nation.

Construction payrolls were up 22.4 percent in Wisconsin and 16 percent in the Nation. Federal Government payrolls were somewhat more in Wisconsin than in the Nation, and State government payrolls increased less in the State than nationally.

State unemployment insurance benefits declined 21.0 percent in Wisconsin and 30.3 percent in the Nation.

Chart 1—Personal Income, Percent Change, 1977:IV–1978:IV
(Seasonally adjusted)

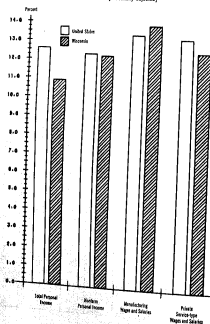


Chart 2—Consumer Price Index, Percent Change, 1977:IV–1978:IV

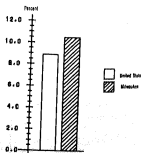


Chart 3. Total Personal Income
[Seasonally adjusted]

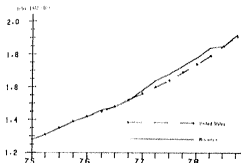


Chart 4.—Industrial Composition of Wages and Salaries: Wisconsin
[Seasonally adjusted]

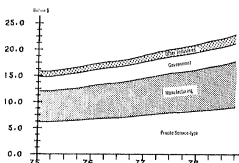


TABLE 2. Personal Income, United States and Wisconsin Through Fourth Quarter, 1978

	United States			Wisconsin			U.S.		State		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:IV
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²				
Total personal income	1,581,500	1,767,519	32,438	31,288	35,681	36,945	17.4	9.9	12.4	16.9	
Land and natural resources	10,274	11,451	1,278	1,563	1,181	1,245	43.9	-14.5	26.3	-17.7	
Manufacturing and construction	1,552,708	1,743,058	31,159	31,725	34,500	35,699	11.9	10.9	12.3	12.7	
Total personal income	1,581,500	1,767,519	32,438	31,288	35,681	36,945	17.4	9.9	12.4	16.9	
Wage and salary disbursements	1,011,216	1,140,696	20,257	20,650	22,463	23,256	12.1	10.5	12.6	12.5	
Dividend income	96,816	111,719	1,795	2,663	2,206	2,385	17.4	15.2	16.4	15.7	
Transfer income	473,468	515,104	7,386	8,075	11,012	11,294	15.2	14.5	15.5	15.5	
Interest	216,516	244,447	1,128	1,345	1,527	1,658	10.6	13.2	13.1	13.1	
Rentals	87,317	94,951	1,057	1,089	1,187	1,226	12.8	11.1	15.3	14.0	
Royalties, interest, and rent	214,957	242,447	4,274	4,381	4,776	4,927	12.3	11.6	12.5	12.6	
Transfer payments	215,948	233,750	4,058	4,058	4,412	4,459	8.8	8.7	8.2	8.3	
State and local government (excludes)	11,128	7,753	179	114	119	102	-24.1	-33.2	-33.3	-23.9	
Fed. government (excludes)	62,212	71,636	1,301	1,314	1,671	1,508	14.8	13.1	14.1	14.8	
Net income (excludes)	401	473	359	318	485	416	—	—	—	—	
Wage and salary disbursements	1,011,216	1,140,696	20,257	20,650	22,463	23,256	12.1	10.5	12.6	12.5	
Interest	216,516	244,447	1,128	1,345	1,527	1,658	10.6	13.2	13.1	13.1	
Rentals	1,006,041	1,132,757	20,095	20,456	22,967	23,967	12.1	10.9	12.6	12.5	
Manufacturing	55,608	66,958	1,145	1,152	1,353	1,410	19.9	18.1	20.1	22.4	
Construction	276,112	312,970	7,650	7,771	8,542	8,846	12.1	11.6	13.3	13.8	
Manufacturing	176,216	202,057	5,157	5,218	5,714	6,072	13.7	12.0	15.2	15.4	
Non-manufacturing	99,896	110,913	2,493	2,553	2,769	2,834	9.4	10.6	10.6	10.6	
Private non-farm type	655,704	715,348	8,051	8,174	8,889	9,127	12.8	12.6	13.1	12.4	
Transportation, communication and public utilities	76,584	85,244	1,251	1,251	1,295	1,213	16.4	3.7	11.3	8.7	
Wholesale and retail trade	170,888	195,035	3,270	3,251	3,543	3,675	12.6	10.8	14.1	13.0	
Finance, insurance, and real estate	54,452	61,153	887	907	974	995	14.1	9.8	13.2	9.8	
Services	204,752	215,088	3,155	2,705	3,045	3,243	12.6	13.1	12.7	13.7	
Government	68,716	72,933	445	473	461	510	7.3	10.2	7.1	6.7	
Federal	171,076	142,880	2,709	2,237	2,708	3,007	7.5	8.4	6.8	6.8	
State and local	3,216	3,685	94	56	66	65	16.7	21.3	14.5	14.3	

1. Data may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Wisconsin Through Fourth Quarter, 1978¹

	United States			Wisconsin			U.S.		State		
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:IV
	Index, 1967=100, not seasonally adjusted						Percent change				
U.S. city average²	185.3	201.6	—	181.6	197.4	200.7	7.9	—	8.9	—	10.5
Wisconsin	185.3	201.6	178.7	181.6	197.4	200.7	7.9	—	8.9	—	10.5

1. Consumer Price Indexes are shown for the most relevant SMSAs for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrounded data are used for the quarters prior to January 1978, and rounded data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, the civilian labor force in Wisconsin increased 4.9 percent, 1.8 percentage points more than in the Nation (table 4). Only eight States had larger increases. Total employment in the State increased 4.3 percent, 0.4 percentage point more than in the Nation, to 2.2 million.

With the labor force increasing about 111,000 and total employment increasing about 93,000, unemployment increased by between 17,000 and 18,000, to 116,000. In 1978:IV, Wisconsin's unemployment rate was 4.9 percent versus 5.5 percent in the Nation. Wisconsin's rate was the second lowest in the Great Lakes region; Ohio's rate, 4.8 percent, was the lowest. The State's unemployment rate increased 0.5 percentage point from year to year, in contrast with a national decline of 0.7

percentage point. Only six States had increases in unemployment rates of 0.5 percentage point or more.

In December 1978, the preliminary unemployment rate in Wisconsin was 5.5 percent. Rates in major metropolitan areas of the State ranged from 4.1 percent in Milwaukee and 4.2 percent in Madison to 8.4 percent in Kenosha. From December 1977 to December 1978, when the State's unemployment rate increased 0.5 percentage point, the rate declined 0.1 percentage point in Milwaukee, the only major area to register a decline. In other major areas, unemployment rates increased by as much as 1.0 percentage point, as in Kenosha, and 0.9 percentage point, as in Racine.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV
Wisconsin

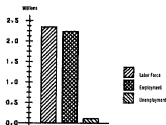


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

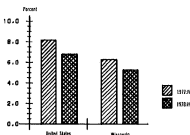


TABLE 4.—Labor Force, United States and Wisconsin Through Fourth Quarter, 1978

	United States			Wisconsin			U.S. State		U.S. State	
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III—1978:III	1977:IV—1978:IV	1977:III—1978:III	1977:IV—1978:IV
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	86,219	87,796	1,407	1,835	1,960	1,923	4.3	5.1	4.2	4.8
Mining	737	899	3	2	3	3	8.2	.0	14.2	4.2
Construction	4,832	4,488	83	81	99	95	10.4	13.1	11.3	16.7
Manufacturing	19,585	20,722	544	542	564	562	3.1	3.6	3.7	3.8
Transportation, communication, and public utilities	4,761	4,971	84	88	87	90	3.2	3.3	4.4	3.9
Wholesale and retail trade	15,152	20,815	412	421	435	447	5.2	5.8	4.5	6.1
Finance, insurance, and real estate	4,852	4,758	81	81	85	85	4.8	5.8	-2.0	5.3
Services	15,539	18,215	729	725	744	747	4.8	4.8	4.4	5.3
Government	15,434	15,636	272	290	283	294	2.1	3.9	1.4	3.2
Civilian labor force ³	96,981	101,815	2,248	2,284	2,336	2,385	3.2	3.9	3.1	4.8
Total employed	92,402	96,810	2,148	2,145	2,227	2,238	4.1	3.8	3.5	4.3
Total unemployed	5,145	5,305	100	99	110	116	-9.8	10.2	-8.8	17.5
Percent unemployed	5.3	5.2	4.4	4.3	4.7	4.9				

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

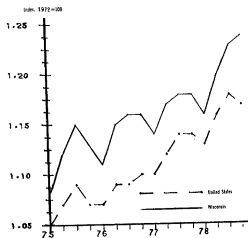


Chart 8.—Civilian Employment

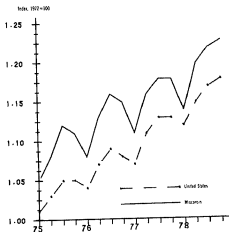


Chart 9.—Unemployment Rate

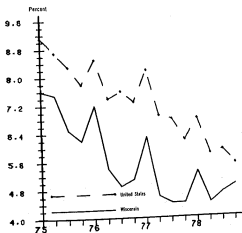
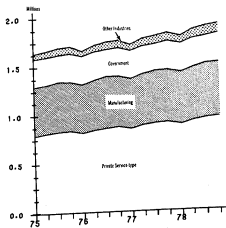


Chart 10.—Industrial Composition of Nonagricultural Employment: Wisconsin



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Wisconsin Through Fourth Quarter, 1978

	United States			Wisconsin			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III 1978:III		1977:IV 1978:IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	639,502	n.a.	11,972	12,387	13,967	n.a.	35.3	10.2	---	---
Commercial and industrial	296,317	n.a.	2,987	3,064	3,384	n.a.	14.2	13.3	---	---
Government securities	146,513	n.a.	2,303	2,393	2,788	n.a.	26.2	21.4	---	---
Real estate	177,970	n.a.	5,345	5,583	6,363	n.a.	18.8	19.0	---	---
Farms	161,236	n.a.	3,305	3,479	4,023	n.a.	21.3	25.7	---	---
Other	7,731	n.a.	488	497	935	n.a.	10.7	9.7	---	---
Farms, excluding real estate	68,988	n.a.	1,552	1,617	1,838	n.a.	19.0	16.1	---	---
Other	28,704	n.a.	661	663	746	n.a.	5.8	12.9	---	---
Total deposits	63,947	n.a.	676	675	634	n.a.	8.0	-1.1	---	---
Demand	125,631	n.a.	17,231	18,539	18,822	n.a.	11.5	9.2	---	---
Time and savings	377,683	n.a.	5,070	6,063	5,572	n.a.	39.2	9.9	---	---
Total	547,828	n.a.	12,301	12,476	13,258	n.a.	12.3	9.0	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

U.S. Federal Deposit Insurance Corporation

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts declined 2.5 percent in the State, in sharp contrast with a 16.8-percent increase in the Nation (table 6). Only five States had declines that exceeded Wisconsin's. In 1978:IV, contracts in the State totaled \$844 million, for a decline over the year of \$21 million. Most major construction categories in the State were weak.

National construction costs increased about 13 percent; if this increase is representative of cost changes in Wisconsin, the real valuation of construction contracts declined more than 15 percent, in sharp contrast with an increase of about 4 percent in the Nation.

The valuation of residential housekeeping contracts declined 6.2 percent versus an increase of 15.6 percent in the Nation; Wisconsin's decline—one of only three such declines in the Nation—was exceeded only by

New Mexico's (16.0 percent). The number of dwelling units started declined 24.1 percent (2,786 units), to 8,775 units. Wisconsin's decline was exceeded only by declines in Texas and New Mexico. In the Nation the number of dwelling units started was virtually unchanged at a high level. Contracts for additions and alterations to residential housekeeping units increased 6.5 percent in valuation, 8.1 percentage points less than in the Nation.

The valuation of nonresidential contracts increased 1.4 percent. Wisconsin versus 15.8 percent in the Nation.

The valuation of nonbuilding contracts declined 11 percent in the State and increased 22.2 percent in the Nation. In contrast, street and highway contracts in Wisconsin increased 36.4 percent in valuation versus a decline of 16.3 percent in the Nation.

Chart 14.—Construction Contracts—Total Valuation

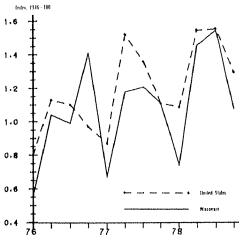


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Wisconsin

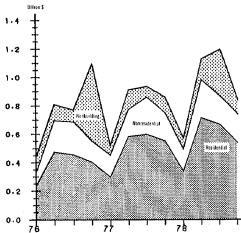


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV—1978:IV

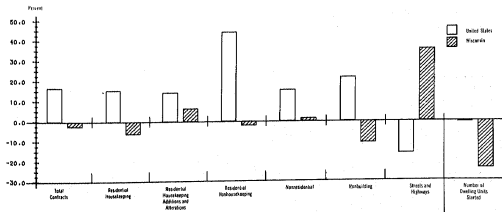


TABLE 6.—Construction Contracts, United States and Wisconsin Through Fourth Quarter, 1978¹

	United States			Wisconsin			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III - 1978:III	1977:III - 1978:III	1977:III - 1978:III	1977:III - 1978:III
	Net seasonally adjusted						Percent change ²			
Total valuation of contracts	38,312,111	45,463,773	942,526	805,847	1,296,290	844,343	14.5	28.0	16.8	-15
Residential housekeeping, additions and alterations	7,707,687	8,832,353	200,753	189,104	217,814	180,094	16.8	8.5	14.6	61
All other contracts										
Number of contracts	62,788	56,928	2,031	1,807	1,824	1,556	4.4	-89.2	-9.3	-113
Valuation (thousands of dollars)	31,265,124	36,627,429	741,773	696,743	988,318	664,049	14.0	33.2	17.4	-47
Floor area (thousands of square feet)	581,453	671,596	23,211	21,750	22,606	19,269	10.6	-2.6	39.2	-10.4
Residential housekeeping										
Number of contracts	14,825	14,192	448	450	346	347	-5.8	-22.8	-4.3	-219
Valuation (thousands of dollars)	446,772	443,075	12,158	11,561	11,794	8,775	1.0	-3.0	-4	-301
Floor area (thousands of square feet)	14,879,356	17,196,518	491,849	373,456	446,116	350,409	15.3	11.8	15.6	-62
Residential nonhousekeeping	574,723	641,736	14,698	13,693	15,576	12,645	10.3	6.6	60.2	-121
Number of contracts	537	505	4	17	9	10	-10.0	125.0	-4	-118
Valuation (thousands of dollars)	338,637	490,279	480	12,202	6,358	11,560	9.4	***	46.8	-21
Floor area (thousands of square feet)	8,467	10,540	13	317	233	313	-7	***	26.7	-12
Nonresidential										
Number of contracts	30,756	27,856	936	953	747	788	-2.5	-20.1	-10.0	-123
Valuation (thousands of dollars)	9,334,405	18,818,709	262,829	208,579	290,042	293,314	27.6	-23.5	15.8	14
Floor area (thousands of square feet)	292,252	318,249	8,599	7,629	6,890	6,913	12.2	-20.8	8.6	-96
Nonbuilding										
Number of contracts	16,701	15,176	644	387	727	406	22.4	12.1	-51	45
Valuation (thousands of dollars)	6,952,478	8,127,854	76,734	110,526	331,048	98,376	-1	332.8	72.2	-119
Streets and highways										
Number of contracts	4,586	4,899	156	64	195	90	9.3	-5	-17.6	46
Valuation (thousands of dollars)	2,376,681	1,931,241	23,789	14,943	25,688	20,291	3.0	8.1	-16.3	36

1. Contracts started or expected to start within 60 days.

2. Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE.—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Wisconsin totaled \$4.8 billion in 1978:IV, up 13.1 percent (\$552 million) since 1977:IV, compared with an 11.2-percent national increase (table 7). In 1978:IV, nondurable goods accounted for \$3.2 billion, and durable goods accounted for \$1.6 billion.

WYOMING

Highlights

1977:IV to 1978:IV

- Personal Income** —Up 25.6% vs. 12.6% in U.S., to \$4.1 billion
 —Farm personal income up 293.6% vs. 26.3% in U.S.
 —Payrolls up 40.9% in mining vs. 33.9% in U.S. and 23.5% in the private service-type group vs. 13.1% in U.S.
- Employment** —Up 6.4% vs. 3.9% in U.S., to 202,000
- Unemployment** —Almost unchanged, at 7,000
 —Rate down slightly, to 3.5% of labor force vs. 5.5% U.S. rate
- Construction** —Total valuation of starts down 16.6% vs. 16.8% increase in U.S., to \$116.4 million
 —Valuation of nonbuilding contracts down 53.5% vs. 22.2% increase in U.S.
 —Number of dwelling-unit starts up 32.5% vs. near stability in U.S., to 1,162

TABLE 1.—Summary of Economic Indicators, United States and Wyoming Through Fourth Quarter, 1978

	United States			Wyoming			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III	1977:IV— 1978:IV	1977:III— 1978:III	1977:IV— 1978:IV
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars).....	1,583,588	781,519	3,012	3,231	2,572	4,067	12.4	28.4	12.4	28.4
Total wages and salaries (millions of dollars).....	1,033,315	1,148,596	2,612	2,119	2,480	2,826	12.1	23.3	12.6	23.3
Civilian employed (thousands).....	92,442	96,810	281	189	215	202	4.1	7.4	3.9	6.4
Unemployed (thousands).....	6,149	5,505	8	7	6	7	-9.1	-2.3	-8.8	3.1
Percent unemployed (unemployment/labor force).....	6.2	5.5	2.9	3.6	2.8	3.5	—	—	—	—
Total loans (millions of dollars).....	816,562	n.a.	1,331	1,356	1,548	n.a.	16.3	16.3	—	—
Total deposits (millions of dollars).....	925,511	n.a.	2,010	2,155	2,276	n.a.	11.5	12.2	—	—
Total valuation of construction contracts (thousands of dollars).....	28,912,111	45,458,773	145,758	133,528	252,879	136,389	14.5	121.0	14.8	121.0
Dwelling units started (number).....	446,772	443,475	1,078	877	1,439	1,162	1.0	32.7	-1.8	32.7
Total retail sales (millions of dollars).....	197,600	213,920	n.a.	n.a.	n.a.	n.a.	10.3	—	11.2	—
New business incorporations (number).....	109,411	n.a.	262	307	381	n.a.	8.2	-3	—	—
Business failures (number).....	1,584	n.a.	8	0	1	n.a.	-9.5	—	—	—
Consumer Price Index (1967=100): U.S. city average.....	185.3	201.8	—	—	—	—	7.9	—	8.9	—

n.a.: Data not available.

Source: See tables 2 through 8.

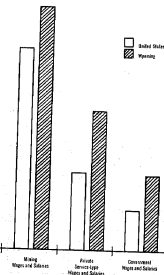
Analysis

Personal Income

income (seasonally adjusted at annual rates) increased in 1977:IV to 1978:IV, more than in any other State; total income increased 12.6 percent (table 2). In 1978:IV, total income totaled \$4.1 billion, up \$628 million since 1977:IV. The increase in personal income would have been smaller had it not been for an increase of almost 300 percent in income, the largest increase in the Nation, 26.3-percent national increase. The State's nonfarm income increased 20.8 percent from year to year, 8.5 percent more than nationally. Since the most recent national rank in 1973:IV, Wyoming's economy has grown faster than nationally.

disbursements (payrolls) in the State increased 23.9 percent from 1977:IV to 1978:IV versus 12.6 percent in the Nation; the State ranked first among all States. In 1978:IV, payrolls in the State, up \$507 million since 1977:IV.

Personal Income, Percent Change, 1977:IV-1978:IV
(Seasonally adjusted)



Mining payrolls increased 40.9 percent from year to year, 7.0 percentage points more than nationally. Wyoming's increase, one of the largest in the Nation, accounted for 38 percent of the year-to-year increase in all payrolls in the State. Construction payrolls increased 22.5 percent in Wyoming from year to year versus 20.1 percent nationally.

Within Wyoming's private service-type industry group, payrolls in all components increased considerably more than nationally. In transportation-communication-public utilities, payrolls increased 16.2 percent, one of the largest increases in the Nation, compared with a national increase of 11.3 percent. In each of the other private service-type components, Wyoming's increase ranked first among all States: 28.4 percent in trade versus 14.1 percent nationally, 23.0 percent in finance-insurance-real estate versus 13.2 percent nationally, and 24.0 percent in services versus 12.7 percent nationally.

Payroll increases in Wyoming's government sector ranked among the largest increases in the Nation. State and local government payrolls increased 13.1 percent versus 6.8 percent nationally, and Federal Government payrolls increased 12.3 percent versus 7.1 percent nationally.

In manufacturing, durable goods payrolls increased 23.0 percent from year to year, one of the largest increases among all States and 7.8 percentage points more than the national increase. In sharp contrast, nondurable goods manufacturing payrolls increased only 2.8 percent from year to year versus 10.0 percent nationally.

From 1977:IV to 1978:IV, State unemployment insurance benefits in Wyoming declined 17.0 percent, the eighth smallest decline in the Nation. Concurrently, unemployment insurance benefits declined 30.3 percent on a national basis.

Chart 2.—Consumer Price Index, Percent Change, 1977:IV-1978:IV

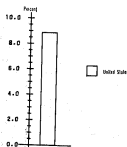


Chart 3.—Total Personal Income
(Seasonally adjusted)

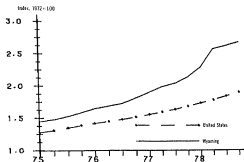


Chart 4.—Industrial Composition of Wages and Salaries: Wyoming
(Seasonally adjusted)

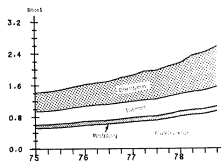


TABLE 2.—Personal Income, United States and Wyoming Through Fourth Quarter, 1978

	United States			Wyoming			U.S.		State		
	1977:IV	1978:IV	1977:III	1977:IV	1978:II	1978:IV	1977:IV - 1978:II	1978:IV	1977:IV - 1978:II	1978:IV	1977:IV - 1978:II
	Millions of dollars, seasonally adjusted at a annual rate ¹						Percentage				
Total personal income	1,583,508	1,782,519	1,013	3,239	3,872	4,987	12.4	18.4	12.4	25.4	
Farm personal income	31,234	39,451	48	57	314	223	47.9	537.3	29.3	281.9	
Nonfarm personal income	1,552,284	1,743,068	3,063	3,182	3,558	3,844	11.9	20.2	12.7	21.9	
Total personal income	1,583,508	1,782,519	3,063	3,239	3,872	4,987	12.4	18.4	12.4	25.4	
Wage and salary disbursements	1,083,216	1,148,694	2,612	2,119	2,480	2,626	12.1	23.3	12.4	23.9	
Other labor income	9,018	11,719	172	184	227	239	17.0	32.7	15.4	27.9	
Dividends, interest, and rent	105,953	128,935	261	215	567	483	21.5	119.9	18.9	71.1	
Proprietor's income	23,436	30,844	4	13	367	179	66.6	16.7	19.3	20.9	
Farm	42,317	94,951	257	264	360	379	12.8	16.7	12.8	12.6	
Nonfarm	21,432	242,442	487	501	547	563	12.7	12.4	12.8	12.6	
Transfer payments	215,544	233,350	767	331	316	331	8	9.9	8.2	9.2	
State unemployment insurance benefits	11,128	1,353	9	9	9	8	-24.0	-3.7	-30.3	-17.7	
Less: personal contributions	62,212	71,050	134	143	174	183	14.8	14.8	15.1	29.1	
Plus: residence adjustment	-461	-473	0	0	0	0	-	-	-	-	
Wage and salary disbursements	1,043,256	1,140,686	2,612	2,119	2,480	2,626	12.1	23.3	12.6	23.9	
Farm	1,176	7,339	44	44	46	48	8.5	9.2	10.6	8.4	
Nonfarm	1,042,080	1,133,347	1,568	2,075	2,434	2,578	12.1	23.7	12.6	24.3	
Mining	55,848	66,858	457	468	630	666	26.5	39.0	33.9	42.6	
Construction	176,212	312,970	113	131	137	134	12.1	17.0	19.3	11.0	
Manufacturing	176,212	293,053	47	12	35	74	9.4	2.7	18.0	2.8	
Durable goods	99,896	199,147	71	12	35	74	9.4	2.7	18.0	2.8	
Nondurable goods	455,364	593,346	236	276	833	958	12.8	29.0	13.1	29.5	
Private service-type	76,584	85,284	207	217	238	252	10.4	15.4	12.3	16.2	
Transportation, communication, and public utilities	170,888	195,035	292	387	365	384	13.6	24.9	14.1	28.4	
Wholesale and retail trade	54,452	61,653	81	65	75	80	14.1	26.3	13.2	23.0	
Finance, insurance, and real estate	153,840	173,396	167	187	416	562	7.4	18.9	6.9	12.8	
Services	281,282	215,083	431	485	179	176	7.3	18.0	7.1	12.3	
Government	66,176	73,003	135	157	308	325	7.5	13.4	6.6	12.1	
Federal	133,076	142,986	227	289	308	325	7.5	13.4	6.6	12.1	
State and local	3,216	3,885	7	7	8	8	18.7	17.2	24.6	16.8	

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

***Percent change greater than 99.9.

1. Dollar may not add to total because of rounding.

2. Based on unrounded data.

TABLE 3.—Consumer Price Index, United States and Wyoming Through Fourth Quarter, 1978¹

	United States			Wyoming			U.S.		State		
	1977:IV	1978:IV	1977:III	1977:IV	1978:II	1978:IV	1977:IV - 1978:II	1978:IV	1977:IV - 1978:II	1978:IV	1977:IV - 1978:II
	Index, 1967=100, not seasonally adjusted						Percent change				
U.S. city average ²	185.3	201.8	---	---	---	---	7.3	---	8.9	---	---

1. Consumer price indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—(Unrounded) data are used for the quarters prior to January 1978, and rounded data are used for the subsequent quarters. There are advised to exercise caution when making comparisons over time.

Labor Force

From 1977:IV to 1978:IV, Wyoming's civilian labor force increased 6.3 percent versus 3.1 percent nationally (table 4). Wyoming's increase ranked fourth in the Nation. Total employment increased 6.4 percent in the State, the largest increase in the Rocky Mountain region, to 202,000. The U.S. increase was 3.9 percent.

With both employment and the labor force increasing between 12,000 and 13,000, unemployment in the State was almost unchanged, at 7,000. Wyoming's unemployment rate in 1978:IV was 3.5 percent of the labor force, the lowest unemployment rate in the Rocky Mountain region, along with the 3.5-percent rate registered in Utah. The national unemployment rate in 1978:IV was 5.5 percent, down 0.7 percentage point from the 1977:IV level.

Chart 5.—Labor Force, Employment, and Unemployment, 1978:IV, Wyoming

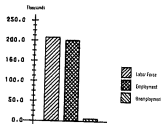


Chart 6.—Unemployment Rates, 1977:IV—1978:IV

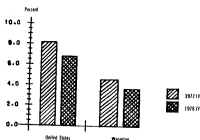


TABLE 4.—Labor Force, United States and Wyoming Through Fourth Quarter, 1978

	United States			Wyoming			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:IV	1977:IV	1978:IV	1978:IV	1977:IV—1978:IV	1977:IV—1978:IV	1977:IV—1978:IV	1977:IV—1978:IV
	Thousands of persons, not seasonally adjusted ^a						Percent change ^b			
civilian payroll	84,218	87,386	184	177	198	196	4.3	7.3	4.2	19.8
nonfarm	787	899	27	27	29	30	3.2	10.1	14.2	10.7
farm	4,832	4,888	20	18	24	23	0.4	20.8	11.3	25.7
non, and public utilities	19,596	20,722	9	9	10	10	3.1	2.2	3.7	7.4
retail	4,761	4,571	14	14	15	15	3.6	8.7	4.4	9.4
health	19,152	20,015	41	40	46	45	5.3	11.7	4.6	13.5
education	4,852	4,758	6	6	7	7	4.8	11.9	-2.0	11.7
government	15,539	16,215	28	28	29	26	4.6	6.5	4.4	5.1
unemployed	15,434	15,656	40	39	38	40	2.1	-5.1	1.4	7.8
total	99,591	101,405	207	197	221	209	3.2	7.1	3.1	6.3
unemployed	92,442	96,610	261	186	215	202	4.1	7.4	3.9	6.4
unemployed	6,149	5,626	6	7	6	7	-3.8	-3.7	-8.8	2.5
unemployed	6.2	5.5	2.9	3.6	2.6	3.5	-	-	-	-

^a In table because of rounding of data.

^b These data are being estimated by new methods, using more current data. This and users are advised to exercise caution when making comparisons over time.

^c of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

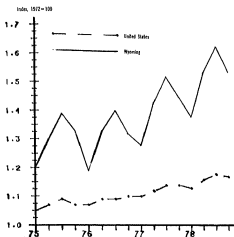


Chart 8.—Civilian Employment

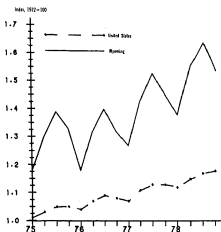


Chart 9.—Unemployment Rate

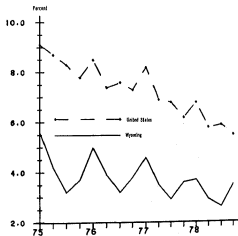
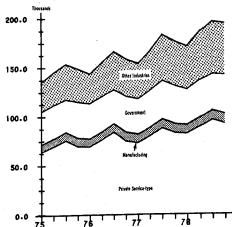


Chart 10.—Industrial Composition of Nonagricultural Employment: Wyoming



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data arrived too late for this report to include the commercial banking discussion and the commercial banking charts 11, 12, and 13. The commercial banking table 5 is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Wyoming Through Fourth Quarter, 1978

	United States			Wyoming			U.S.	State	U.S.	State
	1977 IV	1978 IV	1977 III	1977 IV	1978 III	1978 IV	1977 III- 1978 III		1977 IV- 1978 IV	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	600,502	n.a.	5,531	1,354	1,343	n.a.	16.3	16.3	---	---
Commercial and industrial	386,317	n.a.	355	403	463	n.a.	14.2	17.2	---	---
Loans to individuals	140,589	n.a.	339	331	353	n.a.	20.2	29.4	---	---
Real estate	177,995	n.a.	385	384	454	n.a.	19.3	24.2	---	---
Auto loans	164,296	n.a.	187	200	233	n.a.	21.3	24.3	---	---
Other	7,131	n.a.	16	14	14	n.a.	16.7	-5.2	---	---
Farms, excluding real estate	62,958	n.a.	162	163	207	n.a.	19.0	27.4	---	---
Farms, including real estate	25,744	n.a.	229	219	215	n.a.	5.8	-4.4	---	---
Other	68,947	n.a.	15	22	26	n.a.	8.0	28.2	---	---
Total deposits	995,541	n.a.	2,610	2,356	2,276	n.a.	11.6	12.2	---	---
Demand	377,403	n.a.	698	732	836	n.a.	18.2	19.7	---	---
Time and savings	547,818	n.a.	1,312	1,354	1,440	n.a.	12.3	9.6	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

Construction

From 1977:IV to 1978:IV, the total valuation of construction contracts declined 16.6 percent (\$23.1 million), to \$116.4 million (table 6). Only the District of Columbia and North Dakota registered larger declines—51.0 percent and 51.2 percent, respectively. Nationally, the total valuation of contracts increased 16.8 percent. In 1977:IV, a \$14 million contract for the construction of a water transmission system and an \$11 million contract for the construction of a dam and flood control system, both in Platte County, significantly increased the State's total valuation of contracts, thereby distorting the subsequent year-to-year change. If both contracts are excluded, the total valuation of contracts would have increased 1.6 percent.

Partly reflecting the two Platte County contracts, the valuation of nonbuilding contracts declined 53.5 percent, compared with a 22.2-percent national increase. Wyoming's decline was exceeded in only two States—North Dakota and Vermont—and in the District of Columbia.

The valuation of street and highway contracts, a major component of nonbuilding contracts, declined 21.0 percent in Wyoming and 16.3 percent nationally.

Nonresidential contracts declined 29.8 percent in valuation, compared with a national increase of 15.8 percent. The State's decline was one of the largest in the Nation.

Residential housekeeping contracts, in contrast, increased 68.0 percent in valuation, exceeded by increases in only West Virginia, Hawaii, and the District of Columbia. The number of dwelling units started increased 32.5 percent (285 units), to 1,162 units; nationally, the number of dwelling units started was almost unchanged at a high level. Contracts for residential housekeeping additions and alterations increased 17.0 percent in valuation in the State and 14.6 percent nationally.

Chart 14.—Construction Contracts—Total Valuation

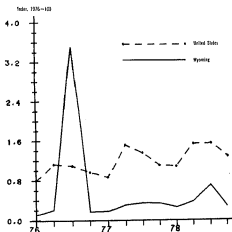


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Wyoming

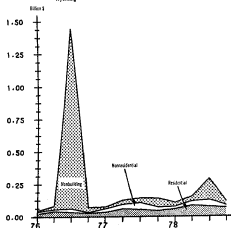


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1977:IV–1978:IV

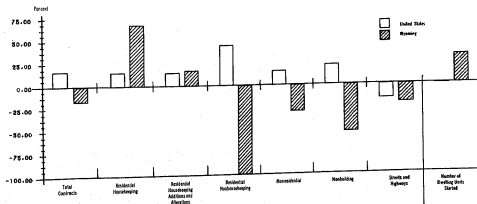


TABLE 6.—Construction Contracts, United States and Wyoming Through Fourth Quarter, 1978¹

	United States			Wyoming			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Not seasonally adjusted						Percent change ²			
Total value of contracts	36,913,111	45,498,773	948,738	138,928	292,578	116,349	34.5	101.0	16.8	-14.6
Residential housekeeping, additions and alterations:										
New construction	7,707,967	9,832,353	12,894	32,862	13,763	14,115	16.8	-1.4	14.6	17.0
Other contracts:										
Number of contracts	62,769	56,928	182	237	227	170	4.4	16.2	-8.3	-13.8
Valuation (thousands of dollars)	31,265,124	36,627,429	131,844	127,486	219,176	102,274	14.0	111.7	17.4	-18.6
Floor area (thousands of square feet)	861,453	591,596	2,511	1,866	3,635	2,463	10.8	44.4	16.2	32.9
Nonresidential housekeeping:										
Number of contracts	14,825	14,192	78	81	78	73	-5.1	0	-4.3	-9.9
Valuation (thousands of dollars)	445,372	443,075	1,078	877	1,439	1,162	1.9	32.7	-6	32.6
Floor area (thousands of square feet)	14,814,516	17,198,518	37,066	28,830	58,279	56,127	15.3	59.9	15.6	88.0
Nonresidential housekeeping:										
Number of contracts	507	505	1	2	3	0	-10.0	200.0	-4	---
Valuation (thousands of dollars)	338,610	480,273	1,681	500	1,408	0	9.4	-11.9	44.8	---
Floor area (thousands of square feet)	8,467	10,548	83	22	41	0	-7	-34.7	24.7	---
Number of contracts	30,756	27,065	54	62	64	48	-2.5	18.5	-12.0	-22.6
Valuation (thousands of dollars)	6,234,418	10,860,169	57,069	28,483	54,234	20,683	27.6	-5.0	15.6	-29.8
Floor area (thousands of square feet)	283,283	316,241	1,067	716	1,475	640	12.2	35.7	8.9	-10.6
Manufacturing:										
Number of contracts	16,781	15,174	59	62	82	49	22.4	39.0	-9.1	-21.0
Valuation (thousands of dollars)	6,687,476	8,127,894	36,129	47,853	164,362	31,454	-1	354.7	22.2	-52.5
Number of contracts	4,886	4,068	45	23	45	30	9.3	0	-17.6	36.4
Valuation (thousands of dollars)	2,388,681	1,931,348	31,715	25,411	13,890	20,899	3.0	-56.0	-16.3	-23.4

1. Contracts started or expected to start within 90 days.
2. Percent changes for floor area based on unseasoned data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Wyoming are not available.

TABLE 7.—Retail Sales, United States and Wyoming Through Fourth Quarter, 1978

	United States			Wyoming			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	197,830	218,620	n.a.	n.a.	n.a.	n.a.	10.3	---	11.2	---
Durable goods	62,605	71,529	n.a.	n.a.	n.a.	n.a.	11.8	---	15.3	---
Nondurable goods	134,955	147,447	n.a.	n.a.	n.a.	n.a.	9.6	---	3.2	---

--- Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Wyoming Through Fourth Quarter, 1978

	United States			Wyoming			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Not seasonally adjusted						Percent change			
New business incorporations	108,411	n.a.	282	307	391	n.a.	8.2	-9	---	---
Total number of business failures	1,584	n.a.	0	0	1	n.a.	-6.5	---	---	---
(Inclusions (thousands of dollars)	408,296	n.a.	0	0	375	n.a.	-64.2	---	---	---
Liability per failure (thousands of dollars)	288	n.a.	0	0	375	n.a.	-58.4	---	---	---
Business failures by industry:										
Retail and manufacturing	240	n.a.	0	0	0	n.a.	-10.1	---	---	---
Other	319	n.a.	0	0	1	n.a.	3.0	---	---	---
Other	181	n.a.	0	0	0	n.a.	-27.1	---	---	---
Other	688	n.a.	0	0	0	n.a.	-4.2	---	---	---
Other	238	n.a.	0	0	0	n.a.	-24.0	---	---	---

n.a.: Data not available.
Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

TABLE 6.—Construction Contracts, United States and Wyoming Through Fourth Quarter, 1978¹

	United States			Wyoming			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	36,913,111	45,498,773	948,738	138,928	292,578	116,349	34.5	101.0	16.8	-14.6
Residential housekeeping, additions and alterations:										
New construction	7,707,967	9,832,353	12,894	32,862	13,763	14,115	16.8	-1.4	14.6	17.0
Other contracts:										
Number of contracts	62,769	56,928	182	237	227	170	4.4	16.2	-8.3	-13.8
Valuation (thousands of dollars)	31,265,124	36,627,423	131,844	127,466	219,176	102,274	14.0	111.7	17.4	-18.6
Floor area (thousands of square feet)	861,453	591,596	2,511	1,866	3,635	2,453	10.8	44.4	16.2	32.9
Nonresidential housekeeping:										
Number of contracts	14,825	14,192	78	81	78	73	-5.1	0	-4.3	-9.9
Valuation (thousands of dollars)	445,372	443,075	1,078	877	1,439	1,162	1.9	32.7	-6	32.6
Floor area (thousands of square feet)	14,814,516	17,198,518	37,066	28,830	58,279	56,127	15.3	59.9	15.6	88.0
Nonresidential nonhousekeeping:										
Number of contracts	507	505	1	2	3	0	-10.0	200.0	-4	---
Valuation (thousands of dollars)	338,610	480,273	1,681	500	1,410	0	9.4	-11.9	44.8	---
Floor area (thousands of square feet)	8,467	10,548	83	22	41	0	-7	-34.7	24.7	---
Other contracts:										
Number of contracts	30,756	27,065	54	62	64	48	-2.5	18.5	-12.0	-22.6
Valuation (thousands of dollars)	6,234,416	10,860,169	57,093	28,483	54,234	20,683	27.6	-5.0	15.6	-29.8
Floor area (thousands of square feet)	293,293	316,243	1,067	716	1,475	640	12.2	35.7	8.9	-10.6
Other building:										
Number of contracts	16,781	15,174	59	62	82	49	22.4	39.0	-9.1	-21.0
Valuation (thousands of dollars)	6,687,476	8,127,894	36,129	47,853	164,362	31,454	-1	354.7	22.2	-52.5
Roads and highways:										
Number of contracts	4,886	4,068	45	23	45	30	9.3	0	-17.6	36.4
Valuation (thousands of dollars)	2,388,681	1,931,346	31,715	25,411	13,590	20,899	3.0	-56.0	-16.3	-23.4

1. Contracts started or expected to start within 90 days.
2. Percent changes for floor area based on unseasoned data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales data for Wyoming are not available.

TABLE 7.—Retail Sales, United States and Wyoming Through Fourth Quarter, 1978

	United States			Wyoming			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	197,830	218,620	n.a.	n.a.	n.a.	n.a.	10.3	---	11.2	---
Durable goods	62,605	71,529	n.a.	n.a.	n.a.	n.a.	11.8	---	15.3	---
Nondurable goods	134,955	147,447	n.a.	n.a.	n.a.	n.a.	9.6	---	9.2	---

--- Data not available.

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Wyoming Through Fourth Quarter, 1978

	United States			Wyoming			U.S.	State	U.S.	State
	1977:IV	1978:IV	1977:III	1977:IV	1978:III	1978:IV	1977:III— 1978:III		1977:IV— 1978:IV	
	Not seasonally adjusted						Percent change			
New business incorporations	108,411	n.a.	282	307	391	n.a.	8.2	-9	---	---
Total number of business failures	1,584	n.a.	0	0	1	n.a.	-9.5	---	---	---
(Inclusions (thousands of dollars)	408,296	n.a.	0	0	375	n.a.	-64.2	---	---	---
Liability per failure (thousands of dollars)	288	n.a.	0	0	375	n.a.	-58.4	---	---	---
Business failures by industry:										
Retail and manufacturing	240	n.a.	0	0	0	n.a.	-10.1	---	---	---
Other	319	n.a.	0	0	1	n.a.	1.0	---	---	---
Other	181	n.a.	0	0	0	n.a.	-27.1	---	---	---
Other	688	n.a.	0	0	0	n.a.	-4.2	---	---	---
Other	238	n.a.	0	0	0	n.a.	-24.0	---	---	---

n.a.: Data not available.
Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.